

Binding

bulletin



THE POWER & Limits of Executive Action . . . 895

ANTI-COMMUNISM: A NEW FRONT
IN SOUTH AMERICA . . . 905

A HEALTHY WOMAN'S ECONOMY . . . 915

AMERICAN POLICY . . . 925

UNIVERSITY OF . . . 935

IN THE . . . 945



The Department of State bulletin

VOL. XXVIII, No. 731 • PUBLICATION 5107

June 29, 1953

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Publications, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

Morals and Power

Address by Secretary Dulles¹

Since I have been Secretary of State, I have been to Europe, the Near East, and South Asia. Before that, in connection with negotiating the Japanese peace treaty, I had an excellent chance to get a firsthand look at our foreign representatives in Japan, Korea, and other parts of the Far East.

One of the things that most impressed me in these areas was the down-to-earth cooperation which existed between our civilian and military officials. The North Atlantic Treaty Organization is an outstanding example of large-scale military-civilian cooperative effort.

The current negotiations in embattled Korea are being carried on by General Harrison. And, to my way of thinking, he is doing an excellent job under very exacting conditions.

But behind General Harrison stands a team of Defense and State Department officials which, once again, testifies to the effectiveness of military and civilian cooperation.

I might mention that one of my first acts as Secretary of State was to invite the Joint Chiefs of Staff and their chairman to lunch with me at the State Department. They kindly responded and the five of us had an intimate exchange of views about the world situation and U. S. security. Ever since, we have cooperated with no single trace of friction. That, I am glad to say, is typical. Of course, there are often initial differences of opinion. But, by and large, our military and civilian officers both here in the United States and on duty overseas rise above differences when the chips are down. In today's world, the chips are down almost everywhere.

It is teamwork between the military and civilian which has given us the necessary strength whenever and wherever we have needed it.

I should like to talk for a few minutes about power in a material sense, such as is represented by our splendid military establishment. What is the purpose of this power? Admiral Mahan is

credited with one of the best answers to this question. It is that the role of power is to give moral ideas the time to take root. Where moral ideas already are well-rooted, there is little occasion for much military or police force. We see that illustrated in our own communities. Where the people accept the moral law and its great commandments, where they exercise self-control and self-discipline, then there is very little need for police power. Under these circumstances, it is sufficient to have a very modest force to take care of the small minority always found in every community which disregards the precepts of the moral law.

Where, however, there are many who do not accept moral principles, then that creates the need of force to protect those who do. That, unfortunately, is the case in the world community of today.

At the present time, there is no moral code which has worldwide acceptance. The principles upon which our society is based—the principles which we believe to be both humanitarian and just—are not accepted by governments which dominate more than one-third of mankind.

The result is that we have a world which is, for the most part, split between two huge combinations. On the one hand, there is the United States and its free-world associates. This is a voluntary alliance of free peoples working together in the recognition that without unity there could be catastrophe.

On the other hand, there is the totalitarian bloc led by the Soviet Union—an artificial, imposed unity which cannot be called an alliance in the sense that we use the word.

These huge concentrations are in conflict because each reflects differing aims, aspirations, and social, political, and economic philosophies. We must assume that they will continue to remain in basic conflict, in one way or another, until such time as the Communists so change their nature as to admit that those who wish to live by the moral law are free to do so without coercion by those who believe in enforced conformity to a materialistic standard.

¹ Made before the National War College at Washington on June 16 (press release 321).

This is one of the hard facts of international existence which we must accept. We cannot close our eyes to it. It will not go away simply because we hope that it will do so.

We must plan accordingly.

"Know Your Enemy"

There is a sound military principle which we must take into consideration in our planning. It is "know your enemy."

What makes the Soviet Union—the fountain-head of world communism—act as it does? Why do the Soviets seek power and more power?

These complex questions are not simply answered. There are many forces which motivate the Soviet drive for power. Among these forces are these which I should like to mention: ideology, the historic imperialistic urge, and the chronic insecurity complex which besets those who rule by force.

Take first the question of Communist ideology. Soviet theorists, as you know, refer to their ideology as Marxian-Leninist-Stalinism. Whose name will next be added remains to be seen.

Through the years, Communist ideology has taken a number of twists, turns, and shifts in emphasis. Upon occasion, it has almost seemed as if the ideology has been stood on its head to justify a policy which Soviet leaders have had to adopt to meet a given international or domestic crisis. Thus, in October 1939, the Soviet leaders proclaimed that Hitler was the peace lover and the British and French the aggressors.

There can be no question but that Soviet leaders use shifty tactics.

But the Soviet leaders have never departed from a certain basic thesis laid down by Marx. It is called "dialectical materialism."

It is important for us to remember that this Marxist principle continues to be basic to the Soviet credo despite any changes that have been made by Lenin and Stalin. Stalin's last published article, written shortly before his death, was based upon original Marxist assumptions when he predicted that the United States and its allies inevitably would split because of inner, economic contradictions.

The entire creed of Soviet communism is based upon this "dialectical materialism," the theory that there is no such thing as a moral law or spiritual truth; that all things are predetermined by the contradictory movements of matter; that so-called capitalism is historically fated to collapse; and that communism is the movement predestined to effect that collapse.

Now, let us look briefly at another of the springs of Soviet action, that of historical imperialism. This urge to expand is not something patented by the Communists of Soviet Russia. This urge has long been found with the "Great Russians" in the Eurasian heartland. It is a national urge,

though it is clear that today communism has greatly intensified it.

The present Soviet Communist exertions in the Near East, Far East, and East Europe are a duplication of many past performances. Early in the 19th century Tsar Alexander, the most powerful ruler of his time, organized the so-called "Holy Alliance" in an effort to dominate the world.

Has the historic imperialist urge played a role in the Soviet drive for power? I think it is clear that it has.

The third and last influence which I will men-

Soviet Moves To Prevent Western European Unification

Press release 319 dated June 15

Asked for an evaluation of recent Soviet moves in Europe, Secretary Dulles made the following remarks at his press conference on June 15:

I believe that one of the primary purposes of Soviet foreign policy for some time has been to prevent, if possible, a unification of Europe, Western Europe, which would create a strong unified community in that area. Measures looking toward that result are pretty well under way. You have in actual operation at the present time the Coal and Steel Community which represents a considerable measure of economic unity of 6 nations with reference to two key commodities—coal and steel—and that has created a single market and is a beginning of economic unity in Western Europe.

There is the treaty for the creation of a European Defense Community which, as you know, has been signed by 6 nations and is before the parliaments of the 6, having been ratified by both houses in Germany.

There is also a project which is being worked out by the European countries who are participating in the Coal and Steel Community for the creation of a political unity, and a proposed constitution is pretty far advanced. I would guess, and it can be no more than a guess, that the present Soviet moves are designed to eliminate the fears of the Soviet Union in Western Europe, fears which are one of the contributing forces toward the creation of this unity.

Now, I believe that unity is going to prevail, irrespective of Soviet tactics, because it is important not merely as a measure against the threat of Soviet communism; it is a measure to create unity in a part of the world where disunity has been a cause of wars, notably the disunity between France and Germany.

I believe the statesmanlike leaders in Europe realize that unity is essential not merely to meet a peril of attack from the Soviet Union, but the peril which comes to all of them from their own disunity and from the wars that have arisen in the past because of that disunity. Therefore, I believe that unity will prevail, but I think the Soviet tactics are designed, if possible, to frustrate that movement.

I see no reason as yet to attribute these Soviet moves to a change of basic approach rather than a change of tactics. Now, I don't exclude that as a possibility. All I say is that as yet the evidence is not adequate to justify, in my opinion, the assumption that it represents more than a change in tactics.

tion is that chronic sense of insecurity which pervades police-state rulers. Those who rule by force inevitably fear force. In a police state the rulers have a monopoly or near monopoly of weapons. But it is never possible to arm enough policemen to rule an unruly mass without in the process arming some who themselves may prove unruly. Also, the rulers of a police state greatly fear any weapons which they do not control, and they seek to extend their power to bring these weapons under control. They cannot imagine that armaments in the hands of others may be designed purely for internal security and self-defense. That is why the Soviet leaders have so consistently and so violently expressed their opposition to the North Atlantic Treaty Organization and fought the creation of a European Defense Community. To us their fears seem mere pretense. But perhaps they do have fear, because they do not understand that if force is in the hands of those who are governed by moral law, it will not be used as a means of aggression or to violate the principles of the moral law.

This picture which I have given of the international situation is not a pleasing one. It does not hold out the prospect of any quick change for the better or any early elimination of our need for power in order to permit moral principles to take root rather than be uprooted.

However, if we do maintain power, and if we do subject it to moral law and use it truly to enable moral principles to survive, and thrive, and spread in the world, we can have hope in the future. For we know that in the long run the fruits of a spiritual faith prevail over the fruits of materialism.

The great weakness of Soviet Communist doctrine is that it denies morality. That is its Achilles heel, of which we must take advantage. We can take advantage of it if—but only if—we ourselves accept the supremacy of moral law.

Recapturing the Mood of Our Forebears

Our nation was founded by the men who believed that there was a Divine Creator who endowed men with unalienable rights. They believed, as George Washington put it in his farewell address, that religion and morality are the great pillars of human happiness and that morality cannot prevail in exclusion of religious principles.

Our Federal and State Constitutions, our laws and practices, reflect the belief that there is a Being superior to ourselves who has established His own laws which can be comprehended by all human beings and that human practices should seek conformity with those laws.

Seeking first the Kingdom of God and His righteousness, many material things were added to us. We developed here an area of spiritual, intellectual, and material richness, the like of which

the world has never seen. What we did caught the imagination of men everywhere and became known everywhere as "the Great American experiment." Our free society became a menace to every despot because we showed how to meet the hunger of the people for greater opportunity and for greater dignity. The tide of despotism, which at that time ran high, was rolled back and we ourselves enjoyed security.

We need to recapture that mood.

Today some seem to feel that Americanism means being tough and "hard-boiled," doing nothing unless we are quite sure that it is to our immediate short-term advantage; boasting of our own merit and seeing in others only demerit.

That is a caricature of America. Our people have always been generous to help, out of their abundance, those who are the victims of misfortune. Our forebears have traditionally had what the Declaration of Independence refers to as a decent respect for the opinion of mankind. They sought to practice the Golden Rule by doing to others as they would have others do unto them. Their conduct and example made our nation one that was respected and admired throughout the world.

So, in conclusion, I say to you who graduate from the National War College: Be proud of your association with U.S. power, which is indispensable in the world today; but remember that that power is worthy only as it is the shield behind which moral values are invigorated and spread their influence; and accept, as citizens, the obligation to preserve and enhance those moral values. They are the rich heritage that has been bequeathed us. It must be our ambition that future generations shall look back upon us, as we look back upon those who preceded us, with gratitude for the gift to our Republic of the qualities that make it noble, so that men call it blessed.

Repressive Soviet Measures Taken in East Berlin

Press release 328 dated June 19

Following is the text of a joint message sent on June 18 by the United States, United Kingdom, and French Commandants in Berlin to the representative of the Soviet Control Commission concerning repressive measures taken by Soviet authorities in East Berlin:

As Commandants of the French, British and U.S. sectors of Berlin and in the name of the Allied High Commission we desire to express our grave concern over events which have taken place in Berlin in the past few days.

We condemn the irresponsible recourse to military force which had as its result the killing or serious wounding of a considerable number of citizens of Berlin including some from our own sectors.

We protest the arbitrary measures taken by the Soviet authorities which have resulted in the interruption of traffic between the sectors and free circulation throughout Berlin.

We formally deny that Willi Coettling, executed after a travesty of justice, was an agent provocateur under the orders of the intelligence service of a foreign power. His condemnation to death and his execution on an empty pretext appear to us as acts of brutality which will shock the conscience of the world.

As the highest Soviet authority in the Soviet sector of Berlin you share with us the responsibility of guaranteeing the well-being and the freedom of the people of Berlin. We therefore demand in the interest of Berlin as a whole that the harsh restrictions imposed on the population be lifted immediately and that free circulation within Berlin be reestablished.

\$50 Million Aid for Berlin

Statement by the President

White House press release dated June 18

It gives me particular satisfaction at this time to announce that following discussions with the authorities of West Berlin and the Federal Republic of Germany, the United States is granting an additional \$50 million aid for West Berlin. This grant of Mutual Security Program funds will be used further to strengthen West Berlin's economy and enable the people to withstand the great pressures to which they are constantly exposed.

About one-third of this sum will be used in the city's industrial investment program. This aid will help provide jobs for Berlin's unemployed and will assist the city in paying its own way.

The balance will contribute to the fulfillment of the "stockpiling" program bolstering the West Berliners' security by providing stores of food, fuel, raw materials, and other essentials.

No material contribution such as this, however, can adequately express the admiration of the American people for the courageous stand of the people of Berlin in the face of existing hazards and economic difficulties.

Current Legislation on Foreign Policy

State Department Information Program—Voice of America. Hearings before the Permanent Subcommittee on Investigations of the Committee on Government Operations, United States Senate, Eighty-Third Congress, First Session, Pursuant to S. Res. 40, A Resolution Authorizing the Committee on Government Operations To Employ Temporary Additional Personnel and Increasing the Limit of Expenditures. Part 1, February 16 and 17, 1953. 77 pp.; Part 2, February 18 and 19, 1953. 71 pp.; Part 3, February 20 and 28, 1953. 74 pp.; and Part 4, March 2, 1953. 104 pp.

Legislation To Extend the Mutual Security Program. Message From the President of the United States Transmitting Recommendations for Legislation To Extend the Mutual Security Program. H. Doc. 140, 83d Cong., 1st Sess. 3 pp.

Extension of Export Control Act of 1949. Hearing Before the Committee on Banking and Currency, House of Representatives, Eighty-Third Congress, First Session, on H. R. 4882, April 29, 1953. 27 pp.

Study of the Escapee and Refugee Situation in Western Europe. S. Rept. 158, 83d Cong., 1st Sess. 2 pp.

Commission on Foreign Economic Policy. Report (To accompany S. J. Res. 78). S. Rept. 292, 83d Cong., 1st Sess. 3 pp.

Report of Special Study Mission to Pakistan, India, Thailand, and Indochina. Committee on Foreign Affairs, House of Representatives. May 6, 1953. Committee print. 83d Cong., 1st Sess. 104 pp.

Report on the Operations of the Department of State (Under Public Law 584). Message From the President of the United States Transmitting a Report by the Secretary of State on the Operations of the Department of State Under Section 2 of Public Law 584, Seventy-Ninth Congress, As Required by That Law. H. Doc. 115, 83d Cong., 1st Sess. 97 pp.

Amendment to the Export-Import Bank Act of 1945. Hearings Before the Committee on Banking and Currency, House of Representatives, Eighty-Third Congress, First Session, on H. R. 4465, A Bill To Amend the Export-Import Bank Act of 1945, As Amended. April 20 and 21, 1953. 59 pp.

Amendment to Export-Import Bank Act of 1945. Report (To accompany H. R. 4465). H. Rept. 320, 83d Cong., 1st Sess. 7 pp.

The Mutual Security Program for Fiscal Year 1954. Basic Data Supplied by the Executive Branch. Committee print. 83d Cong., 1st Sess. 109 pp.

Investigating Means of Expanding Foreign Investments. Report (To accompany S. Res. 25). S. Rept. 208, 83d Cong., 1st Sess. 3 pp.

Reorganization Plan No. 5 of 1953. Message From the President of the United States Transmitting Reorganization Plan No. 5 of 1953, Relating to the Export-Import Bank of Washington. H. Doc. 135, 83d Cong., 1st Sess. 4 pp.

State, Justice, and Commerce Appropriation Bill, Fiscal Year 1954. Report (To accompany H. R. 4974). H. Rept. 341, 83d Cong., 1st Sess. 29 pp.

Agreements Relating to the Status of the North Atlantic Treaty Organization, Armed Forces, and Military Headquarters. Report (To accompany Executives T and U, 82d Congress, 2d session, and Executive B, 83d Congress, 1st session). S. Exec. Rept. 1, 83d Cong., 1st Sess. 19 pp.

Testimony of General Alfred M. Gruenther. Hearing Before the Committee on Foreign Relations, United States Senate, Eighty-Third Congress, First Session, on the North Atlantic Treaty Organization. April 1, 1953. 28 pp.

Soviet Schedule for War, 1955. Executive Hearings Before the Committee on Un-American Activities, House of Representatives, Eighty-Third Congress, First Session. May 13 and 14, 1953. 32 pp.

Treaties and Executive Agreements. Hearings Before a Subcommittee of the Committee on the Judiciary, United States Senate, Eighty-Third Congress, First Session on S. J. Res. 1, Proposing an Amendment to the Constitution of the United States Relative to the Making of Treaties and Executive Agreements, and S. J. Res. 43, Proposing an Amendment to the Constitution of the United States, Relating to the Legal Effect of Certain Treaties. February 18, 19, 25, March 4, 10, 16, 27, 31, April 6, 7, 8, 9, 10, and 11, 1953. 1267 pp.

Second Anniversary of SHAPE as an Operational Headquarters

*Report of Gen. Matthew B. Ridgway
Supreme Allied Commander, Europe¹*

[Excerpts]

This report concerns Allied Command Europe from 30 May 1952, when I became Supreme Allied Commander Europe, to date.

The purpose of this report, the second emanating from Supreme Headquarters Allied Powers Europe [SHAPE], is to provide an assessment of the current and prospective capability for discharging assigned defense responsibilities. It includes a brief summary of the situation 1 year ago; an examination of the changes which have since occurred; an appraisal of their effects upon the capability of this command for carrying out its assigned defense mission; a resurvey of its military requirements; and an indication of the areas of existing major deficiencies. The report is purposely couched in somewhat general terms for security reasons. Precise figures on present stocks of ammunition, on fuel for aircraft, tanks, and trucks, and on the effectiveness of our radar to give us timely warning of surprise enemy air attack obviously should not be made public. All matters of substance in this report have been included in classified reports previously made to proper authority. They have been covered in adequate detail and supported by appropriate recommendations.

Notwithstanding this unquestioned need for withholding certain information from publication, I wish to emphasize at the outset of this report the importance, in fact I believe the crucial importance, of making known to our NATO peoples the main facts of the military situation in which they are so deeply concerned. In no other way can they be convinced of the need for the heavy burdens they are asked to carry. If unconvinced, they cannot be expected to support NATO pro-

grams, even on the minimum scale essential to collective security. With an unshakeable belief in our concept of democracy, I concur wholeheartedly with my predecessor, General Eisenhower, who a year ago questioned why there should be "confusion in the minds of millions of our own peoples as to the basic aims of our defense program, the necessity for it, and the urgent demand for their own individual efforts." "Once the truth is understood," he stated, "once the critical dangers present in the world situation are really known, there will be less complacency concerning our present military situation and the harmful effects of delay will be clearly seen."

It has been my constant conviction since I assumed command that public understanding is indispensable to progress toward the minimum military security for which NATO has been established. To create this understanding, NATO and the national authorities must present the facts of our security situation through a coordinated and sustained information program. I have previously submitted recommendations concerning such action.

The search for solutions to the many major problems encountered in the effort to become secure gives rise to serious political, economic, financial, and social difficulties to which I am acutely alive. Yet early solutions must be found if the basic objectives which brought NATO into being are to be reasonably attainable within the near future.

The assessments which follow constitute a military estimate. In preparing it, I have drawn heavily upon the advice and assistance of the officers assigned to this command. Of all services, and from all the countries represented in this command, they are men of high-principled integrity and demonstrated professional competence, in whom their countries may have real pride and confidence. This report is based on their honest and objective analysis and reflects the rigid standards of austere economy consistent with minimum

¹ Released to the press by SHAPE, Public Information Division, Paris, on May 30. The report is made to the chairman of the Standing Group, North Atlantic Treaty Organization.

For text of the first report on SHAPE, submitted by General Eisenhower, see BULLETIN of Apr. 14, 1952, p. 572.

acceptable efficiency which are our common aim. These men are deeply aware of the waste of human life, of spiritual values, and of material treasures which past wars have entailed; they are dedicated to the effort to forestall the catastrophic destruction which future wars could bring.

THE SITUATION ONE YEAR AGO

I turn now to the situation of a year ago, the time at which the first Annual Report of the Supreme Allied Commander Europe was issued. The military mission entrusted to the European Allied Command then as now was:

a. In war to defend NATO's European territories. . . .

b. In peacetime to develop an integrated, effective force capable of accomplishing the wartime mission if required. . . .

The next basic consideration, giving concrete dimensions to the tasks involved in accomplishing the assigned mission, was the Soviet threat—its nature and magnitude. There were two particular points to be stressed in this connection. *First*, our task as military men was to concern ourselves with Soviet capabilities. Military planning and recommendations could not be based upon speculative estimates of a potential aggressor's intentions. If the mission assigned to this Command was to be discharged, our forces had to be prepared to meet an aggressor's forces as they actually existed and could be brought into battle. We had to reckon with military realities. We could not rely on attempts to fathom the minds of the men in the Kremlin nor to follow their frequent reversals of tactics. *Second*, it was necessary to react effectively to Soviet actions within whatever period of warning might be provided. Of all the basic principles of war, none could have more devastating effect in this area than that of surprise. The importance of Soviet capability and of time as two factors of fundamental significance could scarcely be exaggerated.

The Soviet bloc had over 51½ million men under arms, roughly 4½ million belonging to the Soviet Union itself. The U.S.S.R. mounted 175 line divisions. Satellite strength was growing. The Soviet air force totaled just over 20,000 frontline aircraft, with a large aircraft reserve. The Navy had more than 300 submarines, including a number of the latest type. The Soviet forces were capable of rapid expansion in case of war. Trained-reserve manpower and reserves of equipment were immediately available. Some 30 divisions were located in occupied Europe, of which the 22 in East Germany constituted an ever present threat to our forces. The combat effectiveness of the ground forces was rated high and their equipment good—in some types superior. The

combat efficiency of the air force, while rated below NATO standards, was improving, particularly with the replacement of piston-type with modern jet aircraft. The Soviets' well-known disregard for their own casualties further increased their offensive capability.

The balance sheet of NATO security in Western Europe, as I evaluated it in May 1952, showed major assets and major liabilities. The military assets, such as the multiple elements of command structure and leadership, plans and directives, organized combat units and provision for their support, had already begun to give the basis for hope of future security.

Against these assets were ranged grave liabilities. In May 1952, security in Western Europe was still heavily overshadowed by the enormous preponderance of combat-ready Soviet military power poised behind the Iron Curtain. Furthermore, there were grave deficiencies in Allied preparedness to meet a Soviet attack had it come. The total fighting strength of the Allies formed but a small fraction of the Soviet forces deployed in forward areas. Land forces and naval strength assigned to Allied Command Europe were entirely insufficient.

The inadequacy of the Air Forces was particularly acute. Many units were deployed in exposed areas east of the Rhine, with no prepared redeployment sites. Command, control, and warning arrangements were fragmentary in the extreme. A large number of our aircraft were of obsolescent piston-engine type.

The principal subordinate commands were still in a formative state. The headquarters would not have been equal to the demands of active operations. Signal communications were seriously inadequate for continued effective control of the fighting elements.

Particularly in the status of supporting elements, the deficiencies would have weighed heavily against effectiveness in combat. Stocks of ammunition were extremely low, logistical and maintenance systems inadequate, and resupply plans and assignments of responsibilities were still under discussion and proving extremely difficult. Supply lines ran parallel to the front and were operationally unbalanced.

Shortages of specialists, career personnel, and experienced leaders were severe in many units and would have had a substantial adverse effect on combat operations. Many reserve elements lacked the degree of organization and training required for combat. Finally, although expansion goals and commitments for 1952 had been undertaken at Lisbon, it was increasingly apparent that the requisite steps in manning, training, and equipping were not being taken in full and on time.

CHANGES OCCURRING IN THE PAST YEAR

During the past year much has been done to increase our defense forces and to make them more effective. Measured against the Soviet capability, our progress is insufficient to give us acceptable prospect of success if attacked. We are still far short of the minimum requirements. We lack essential supply and support. But a series of actions have been taken which have strengthened our command structure, augmented our operational plans and directives, and materially increased our land, air, and naval forces. Examination in more detail of major changes follows.

Development of Command Structure

By August 1952 arrangements for coordinating the operations of the forces of Greece and Turkey with those of the remainder of my command had been established. Headquarters Allied Land Forces Southeastern Europe, with Lt. Gen. Willard G. Wyman, U.S. Army, in command, were established in Izmir directly subordinate to Admiral Carney, Commander in Chief, Allied Forces Southern Europe. In December 1952 Admiral the Earl Mountbatten of Burma, Royal Navy, was appointed Commander in Chief Allied Forces Mediterranean. In March 1953 he took over his Allied (NATO) Command, which in wartime would include units of the British Mediterranean Fleet plus naval forces from other NATO nations. The U.S. Sixth Fleet, with a striking force mission, remains assigned to the Commander in Chief, Allied Forces Southern Europe. Thus there now exists a command structure to control our united forces along a 4,000-mile front extending from northern Norway to the Caucasus.

Buildup of Forces

At Lisbon in February 1952 the nations had set for themselves, for the first time, firm goals for the buildup of their forces in 1952, and tentative goals for 1953 and 1954. As 1952 ended, the goals were in large part met numerically for air forces, naval forces, and for active army divisions, although there was a substantial shortfall in planned combat effectiveness. During the last 12 months' progress in the buildup of forces has been steady. Throughout the command the strength of units has increased, additional major items of equipment have been provided, and training advanced. In addition, a substantial number of new units have been organized. Nevertheless, for all services there are still major deficiencies in support units, in logistical establishments, and in stocks of ammunition and other supplies. I would add parenthetically at this point that our reporting and evaluating system has been considerably

strengthened throughout this period. We can provide more definitive information of actual conditions than formerly was possible. Thus it is now possible to evaluate combat-effective units with much greater confidence. We now have a much more reliable knowledge of just where we stand.

A year ago the outstanding deficiency was in the tactical air forces. There was a shortage of aircraft, of crews, of supply and support. A considerable increase during the year in the number of combat aircraft, mainly from deliveries under the U.S. mutual defense assistance program, has since bettered our position. Not only have the numbers of combat aircraft increased, but their combat capability has improved. The increase in the number of pilots and technicians for these aircraft, together with some small improvement in aircraft control, warning and reporting systems, has been encouraging. Our network of airfields has been enlarged and made more efficient. Our various exercises, which posed difficult problems in coordination and communications, demonstrated the ability of national forces assigned to SHAPE to work together as a team. In supply, and in the development of the system for distributing fuel, we have improved our status over the past year. Nevertheless, our air power is still today the weakest link in our defense. In spite of our progress, our air forces could not adequately carry out their tasks. The increase of air power must receive far greater attention by the NATO nations.

During the past year, great efforts have been made to improve training of regular forces and at the same time to achieve better training and mobilization procedures for reserve forces, on whom so much of our defensive strength depends. Lack of proper training facilities and areas has hampered this effort, but good leadership can do much to offset the deficiency. Accordingly, SHAPE has strongly emphasized the need for leadership at all echelons. Various national forces have organized additional schools for junior and noncommissioned officers, and study periods for senior officers. Mobilization and training exercises have been conducted with encouraging results. Problems in training both active and reserve forces, like most of our large problems, are now becoming more clearly defined, and some NATO nations are requesting and using training and advisory missions organized by SHAPE. Such missions are now operating in the Netherlands, Luxembourg, and Portugal. Another important development has been the recent establishment of atomic indoctrination courses for key NATO commanders and staff officers. The courses, which are designed to acquaint officers with the use of atomic weapons in tactical situations, will enable NATO military staffs to consider the implications of atomic warfare in the defense of Western Europe. With all this, there is still an urgent need for all countries to reexamine critically their mobilization

systems and to insure that they are adequate to provide, in the time required, forces sufficiently well trained to perform their duties.

Support of Armed Forces

The growth of land forces during the past year, while not satisfactory, has been encouraging. This situation, however, is not true of the arrangements for the supply and support of those forces. The initial emphasis which had been given to the creation of frontline troops resulted in a grave shortage of the operational reserves, of certain critical supplies, and of service troops, without which a modern army cannot maintain itself effectively in the field.

In an international command, the problem of providing the overall logistic support is unusually complicated, because each nation is responsible for the support of its own forces. This arrangement results in a lack of flexibility in the supply system. In an attempt to make the system less rigid, SHAPE, in October 1952, after discussion with the nations concerned, submitted to the Standing Group specific proposals which, if adopted, should in time remedy the main faults in the organization of our supply. But merely improving our supply organization does not make good the present lack of operational reserve stocks. The nations are all agreed that they should hold stocks sufficient for several months, a period based on an estimate of the time to begin the replenishment of stocks in Europe after the outbreak of war. Mainly for financial reasons, however, their stocks have not been built up to the needed level.

On the other hand, progress has been good on the third part of the program of infrastructure, that is, of fixed military installations including airfields, signal communications, and command headquarters. More than half of the 125 airfields approved have been completed to the point where they could be used in an emergency, and construction is proceeding well on all but a few of the remainder. Our fixed communications net is beginning to take form.

The fourth part of the infrastructure program was approved by the Council in December 1952, but only about one-half of it was financed at that time. Additional airfields, headquarters, signals communications, jet-fuel storage tanks, and distribution pipelines to airfields were among that portion of the program which was agreed on. The remainder, financed in April 1953, included additional airfields and items such as naval bases, radar installations, radio-navigational aids, and training installations. In April 1953, the Council also approved the financing of a long-range infrastructure program for 1954, 1955, and 1956, covering the additional NATO military installations required to be built during this 3-year period. This farsighted departure from previous year-by-year

financial approval represents a long step forward. It will enable us to improve greatly the planning for construction by placing it on a firm long-range basis.

The organization of the civilian bodies of NATO has been progressively strengthened during the past year as a result of the creation of the position of Secretary General as a focal point of civilian leadership. Under Lord Ismay, the work of building a more cohesive structure has gone forward. The North Atlantic Council, since the decision in early 1952 that it function in permanent session through the appointment of permanent representatives, has provided increasingly firm top-level direction to NATO, on a continuous basis. Under Lord Ismay, the International Staff has been developed to assist and advise in the discharge of complex civilian responsibilities. The result has been to delineate both those and the military responsibilities more clearly, to facilitate policy decisions, to strengthen defense production, and to provide more effective review of performance in meeting accepted goals. The military echelon of NATO now has authoritative civilian guidance and direction available on a permanent basis. The political aspects of NATO military exercises, the assessments of the security threat, the administrative and budgetary supervision of NATO airfield and other infrastructure programs, and the complex tasks of setting annual goals for the buildup of military forces are matters on which this type of guidance has been received.

The European Defense Community

During my year of command I have followed closely the plans for the European Defense Community. The benefits which the early ratification of the treaty would have brought to our efforts and to European unity included the contribution of West Germany, which I consider indispensable to our defense system. SHAPE has maintained constant liaison with the Interim Committee of the European Defense Community and has observed and assisted in its planning. Its plans are workable and sufficiently advanced to avoid delay in developing a German contribution.

Shift of National Emphasis

Throughout many of the NATO nations the growth of defensive power has reduced the sense of fear and urgency under which they lived in the preceding 12 months. Nations are beginning to change their planned military programs from rapid rearmament to a longer-term policy. Although this change may be dictated by the economic situation, we must not forget that any real slackening of the defense effort may itself open the way to aggression.

APPRAISAL OF THE EFFECTS OF CHANGES

During the past 12 months, the U.S.S.R. has systematically strengthened its armed forces and those of its European satellites. The highly mechanized group of Soviet armies stationed in East Germany has been kept at a high level of training; its equipment has been increased and its vehicles modernized. Many Russian air squadrons have been reequipped with jet aircraft. A huge program of airfield construction has been nearly completed throughout Eastern Europe. The Soviet naval shipbuilding program is continuing steadily and now includes construction of new improved ocean patrol submarines. The military strength of the satellite countries has been increased considerably. Since January 1952, when these forces numbered approximately 1,000,000 men organized into 65 divisions, they have increased to more than 1,300,000 men organized into 70-odd divisions. This total does not count East Germany, where various units of the police have been converted into the nucleus of a German army which now numbers about 100,000. East Germany is also forming an air force and a naval force. The foregoing summary relates to the strengthening of Soviet conventional forces. It must not be forgotten, however, that Soviet effort in the atomic field has also continued.

These are the facts about the increasing strength of the Soviet bloc. Since Stalin's death, there has been much conjecture about possible changes of policy by the rulers of the Soviet Union. These are matters beyond my purview. Moreover, as a soldier I cannot afford to deal with conjecture. I feel it my duty to state that I know of no facts which would lead me to conclude that the military danger from the East has lessened. This view coincides with the official communique issued by the North Atlantic Council at the conclusion of its Ministerial session, 25 April 1953.²

An appraisal of the present power ratio goes far beyond the military field. It embraces every aspect of our political, economic, financial, and social systems. All but the military aspects are beyond both my competence and responsibility. Yet within the strictly military field, I find the disparity between our available forces and those which the Soviet rulers could bring against us so great as to warrant no other conclusion than that a full-scale Soviet attack within the near future would find Allied Command Europe critically weak to accomplish its present mission. The potential aggressor retains the initiative. He can exercise his offensive capability at will and choose the time, place, weight, and direction of attack. To allow the NATO nations to maintain their status as free nations, we should have the means which can be committed to action within a short time and

which can give us the capability of withstanding an initial attack and gaining time to gather our strength. To do otherwise, we would risk needlessly heavy sacrifice of life and great loss of critical equipment. We need not only the physical means but the driving force of dynamic leadership sustained by a high morale throughout the civilian population as well as among our fighting forces.

THE TASKS AHEAD

Now, in May 1953, the NATO nations, which were almost defenseless in 1950, can be justifiably proud in looking at their increased strength. They can be buoyed up by their accomplishments, not weighed down by their fears. The result should be an improvement in the morale of their peoples. Their seriousness of purpose and their strength of will should have been made clear to the world.

Yet pride in achievement must not blind us to the magnitude of the tasks ahead, nor hide our true military position today. The achievements during the past year have been considerable. They reflect great credit on the 14 NATO nations, but the efforts of the last 2 years could all be wasted were we to relax now. There are still many gaps in our defense system which must be filled without delay if our homelands are to have that reasonable minimum of security which it has been NATO's primary purpose to achieve.

My predecessor reported in May 1952: "There is no real security yet achieved in Europe; there is only a beginning." Knowledge of the military situation today gives no grounds for believing that this security has been achieved, that the beginning, made a year ago, has now come so near to a successful ending that our efforts can be relaxed.

Northern Europe still lacks within its own resources the minimum forces required to give adequate chances of success against a major attack. The nations in that area will have to receive external assistance, and this is contemplated in our plans. The continuing magnitude of Soviet offensive capabilities in Northern Europe, and the special requirements for coordinating the military measures taken by the nations of that area with the contributions of other NATO partners to defense, create a problem of unusual complexity and difficulty. The pattern of solution through collective action is being gradually clarified. Further efforts by all concerned are, however, required.

In Central Europe we have made material progress. It is clear that the basic elements of strength to attain a capability for defense of that area can be found. What is required is the continued will and effort to convert this potential into reality. If such effort is forthcoming, and especially if an

² *Ibid.*, May 11, 1953, p. 673.

early German contribution is provided, we can look forward to the day in the near future, when if attacked, we could conduct a successful defense in that area.

Likewise in Southern Europe the land forces are steadily improving and a successful defense appears attainable in the foreseeable future. There continues to exist a serious lack of support troops. This weakness must be remedied. Powerful naval forces could make a contribution of the greatest value but the air forces here, as in other areas, are still dangerously short.

There are many measures that apply generally throughout the whole Western European area. Active land forces must be further increased. Those already in being must be better trained and backed by proper support troops—at present lacking. The system of training and mobilizing our reserve forces must insure that they are ready to face a professional enemy on equal terms. The naval forces must receive the escort vessels and minesweepers which will be vital for defense against a potential enemy strong in submarines and minelaying capability.

Our greatest weakness, however, is in the air. For the next year, at least, higher priority should be given to the air forces. Not only do we lack the number of modern aircraft indispensable for our defensive tasks, but in some countries the development of an effective air warning and control system is only just beginning.

To establish a workable supply system, the nations should plan to meet the requirements for their forces both from home production and through negotiation with other governments. National stocks, particularly of ammunition, should be increased from their present low level.

The deficiencies I have noted are correctible, provided that timely action is taken and sustained. If this is done, this command could be capable, within the near future, of effectively defending Western Europe against full-scale Soviet aggression. If these deficiencies remain substantially uncorrected, these requirements substantially unfulfilled, then Allied Command Europe will continue to be critically weak in its capability of accomplishing its present mission; the NATO nations of Europe will remain exposed to the peril of decisive military defeat with all its catastrophic consequences to them and to Western civilization.

Our present difficulties would be lessened through greater unity of effort. In the economic field, this would help solve the problems of military supply and equipment. In the political field, it would facilitate our efforts to mobilize all our available military resources.

In 4 years the North Atlantic Treaty Organization has demonstrated that free nations, working earnestly together, can achieve collective security. We have become seriously aware of the heavy

sacrifices demanded to arm nations for defense. Today we are far from the plateau of security. We have merely gained the foothills leading to that plateau. A leveling off now, when we are far below minimum force requirements, may return our European peoples to that grim feeling of military weakness and futility of effort only recently left behind.

During the last 2 years we have overcome the natural inertia which besets all human endeavors. We have imparted to the huge and complicated machinery of defense a momentum of incalculable power—the results of faith and growing strength. We must not lose that momentum. To do so would be to nullify all our labor and sacrifices, to repudiate our principles, and to perpetuate our peril. Were the momentum once lost, the efforts to restore it would be many times those we have so far made.

The most precious assets of our nations are their spiritual values and their youth. The most sacred obligations of governments are to nurture and preserve those values, and to assure that those lives shall not be hazarded through failure to recognize the depth of the threat ranged against us.

Joined in devotion to the cause of peace and security of all we prize, convinced of the aim and the urgency of our individual efforts, we have now to sustain the momentum that has brought us thus far and to maintain our faith in the values we strive to defend.

30 MAY 1952

MATTHEW B. RIDGWAY

U.S. Restricts Fueling of Ships Bound for Communist China

Samuel W. Anderson, Assistant Secretary of Commerce for International Affairs, announced on June 8 a move by the Commerce Department to prevent any foreign ship or aircraft scheduled to call at Communist Chinese ports from fueling at U.S. ports without prior approval by the Department. Applications for such approval will not generally be granted, Mr. Anderson stated.

A new export control regulation of the Office of International Trade, effective July 6, will require an individual validated license from Orr for export of petroleum products, including fuel, for use on board foreign carriers leaving the United States or its territories if any one of the following conditions exists:

1. The foreign carrier requiring the petroleum products has called at Macao or any point under far eastern Communist control since January 1, 1953;
2. The carrier is bound for any such point within a period of 120 days in the case of a vessel

or 30 days in the case of an aircraft from the date of departure from the last U.S. point of exit;

3. The carrier will carry any commodities of any origin within these same periods known by the owner, master, commander, charterer, or agent to be destined directly or indirectly to these points unless the commodities are covered by an export license from ORT; or

4. The carrier is registered in, or under charter to a Soviet-bloc country or is under charter to a national of any Soviet-bloc country.

Release of Anti-Communist Prisoners From U.N. Camps in South Korea

Following are texts of statements and correspondence relating to the release of anti-Communist prisoners of war in South Korea.

U.N. Command Statement of June 18

Between midnight and dawn today, approximately 25,000 militantly anti-Communist North Korean prisoners of war broke out of United Nations Command prisoner of war camps at Pusan, Masan, Nonsan and Sang Mu Dai, Korea.

Statements attributed to high officials of the Republic of Korea now make it clear that the action had been secretly planned and carefully coordinated at top levels in the Korean Government and that outside assistance was furnished the P. O. W.'s in their mass breakout. R. O. K. security units assigned as guards at the P. O. W. camps did little to prevent the breakouts and there is every evidence of actual collusion between the R. O. K. guards and the prisoners.

ROK Action a Violation of U.N. Command's Authority

Statement by Secretary Dulles

White House press release dated June 18

I have been in conference with the President regarding the unilateral action taken by the Republic of Korea to release prematurely North Korean prisoners of war. This action was in violation of the authority of the U.N. Command to which the Republic of Korea had agreed. On behalf of the United Nations we have conducted our negotiations for an armistice in good faith and we have acted and are acting in good faith. President Eisenhower is communicating with President Rhee in this sense.

Under general licenses "ship stores" and "plane stores," ORT permits exportation, without an individual validated export license, of usual and reasonable quantities of fuel, food stores, etc., for use or consumption on board the vessel or plane during the voyage which are not intended for unloading in a foreign country. Under the new regulations, however, an individual validated export license will be required if any of the four conditions specified above exists.¹

During the past year, these R. O. K. security guard units have been especially trained for their duties at P. O. W. camps, in order that more than 13,000 United States and R. O. K. Army combat troops, which would otherwise be required as security personnel, might be made available for front-line duty. The R. O. K. security guards were considered especially suitable for the camps containing anti-Communist Korean prisoners in view of the previous cooperative attitude of these P. O. W.'s.

United States personnel at these non-repatriate camps, limited in each case to the camp commander and a few administrative personnel, exerted every effort to prevent today's mass breakouts, but in the face of collusion between the R. O. K. guards and the prisoners, their efforts were largely unavailing. The large quantities of non-toxic irritants (tear gas and other non-poisonous gases) employed proved ineffective because of the great number of prisoners involved in the night-time breakouts. Nine prisoners were killed and sixteen injured by rifle fire. There were no casualties among United States personnel.

As of 1 o'clock this afternoon, 971 escaped P. O. W.'s had been recovered.

R. O. K. security guard units which have left their posts and non-repatriate camps are being replaced by United States troops.

Lt. Gen. Harrison to Gen. Nam IL, June 18

Gen. NAM IL,

Senior Delegate, Delegation of the Korean People's Army, and the Chinese People's Volunteers:

Between midnight and dawn today, approximately 25,000 North Korean prisoners of war, who have refused to be repatriated following an armistice, broke out of United Nations Command prisoner of war camps Nos. 5, 6, 7 and 9.

¹The list of commodities subject to the new procedure and further information on this change in regulations are published in ORT's Current Export Bulletin 705, dated June 4, 1953. It may be obtained at the U.S. Department of Commerce, Washington 25, D.C., or any Field Office of the Department.

Statements attributed to high officials of the Republic of Korea indicate that the action had been secretly planned and carefully coordinated at top levels in the Korean Government and that outside assistance was furnished the prisoners of war in their mass breakout. Republic of Korea Army security units assigned as guards at the prisoner of war camps did little to prevent the breakout, and there is every evidence of actual collusion between the Republic of Korea Army guards and the prisoners.

The Republic of Korea Army security guard units used at the camps containing anti-Communist prisoners of war had been considered especially suitable in view of the previous cooperative attitude of these prisoners while in custody.

These Republic of Korea Army security guard units which have left their posts at nonrepatriate camps are being replaced by United States troops.

Efforts are being made to recover the prisoners now at liberty and as of 1 o'clock this afternoon, 971 escaped prisoners of war had been recovered.

WILLIAM K. HARRISON, JR.,
Lieutenant General, U.S.A., Senior Delegate
United Nations Command Delegation.

**Pyun Yun Tae, Acting South Korean Premier,
To Gen. Clark, U. N. Commander, June 18**

DEAR GENERAL CLARK: As regards the question of releasing the anti-Communist Korean prisoners of war, instead of handing them over to the five-nation custodial committee, the position of this Government has long been made clear through frequent representations, oral and written, from its spokesmen. This position is, it should be noted, also what the United Nations cease-fire delegation itself once took as its own, when Lieut. Gen. William K. Harrison, its senior delegate, in the course of enunciating the then new United Nations three-point proposal on May 13, 1953,¹ said, "Prisoners of war of Korean nationality who have elected not to avail themselves of the right to be repatriated should be released to civilian status on the date the armistice becomes effective."

The complete reversal of this United Nations stand does not so much reflect, we sincerely believe, a change in criteria of human judgment as a freakish turn in international fortuity favoring the ascendancy of appeasers, to whom these 34,000 kin of ours, all loyal to us, just look as many unfeeling wooden pawns to be whisked about in their grand game of "peace," alias surrender. We, in the name of human decency and dignity, revolt at this sickening order of things, whatever may ensue.

I need not reiterate now why we cannot let our own citizens liberated from Communist domination, internationally mislabeled prisoners of war, be taken away to any neutral area to be placed under the jurisdiction of an alien body and brainwashed for several long months by trained Communist tormentors supported by pro-Communist alien armed forces. We declare time and again that this nation cannot suffer this to happen within its own domain.

We need not point out the fact that many of those prisoners are bona fide R. O. K.'s captured by the enemy but forced to fight on his side, contrary to all known human practices, to say nothing of the Geneva Convention. Where is the justice, if the United Nations, who let the Communists' liquidating or forcing more than 50,000 R. O. K. prisoners of war into their military service go unchallenged, now insists on even these bona fide R. O. K. troops being pressured to go to the Communists and succumb? The public sentiments are so strong against it that, even if this Government wished to acquiesce in the tragic international development, it could not have done so without completely forfeiting the confidence and the

respect of the Korean people, which this Government cannot be justly expected to risk.

Recognizing, however, the international complications involved in the prisoners of war question and implicitly trusting that the United Nations Command would do right by the said prisoners by somehow restoring them to free ways of life in the end, this Government has been patiently waiting for the United Nations Command to take adequate measures to set them free from the prolonged, unjustifiable incarceration. You know, General, what we would have done with them, if they were in our custody. We would have liberated these hapless fellow-countrymen of ours long ago. If we had entertained, even for a single moment, any idea of bartering the innocent lives of these poor fellow-citizens for the transitory ease of a shameful peace we would have deserved nothing but the curse of these intended victims as well as the damnation of a Righteous Deity.

With the prisoners of war agreement reached between the United Nations Command and the Communists, however, the last ray of hope is gone of seeing them ever freed, for that agreement, its terms being what they are, will end up in forcibly repatriating all of them against their original wishes, sending them to execution or concentration camp. Whoever, Archbishop or layman, has been submitted to the ordeals of Communist inquisition has never survived as what he was.

Foreseeing this tragic eventuality, this Government could not have done otherwise than it has done today. It has tried every means to avoid causing inconvenience to the United Nations Command. It had been patient to the very last moment, until it was compelled to do the duty the whole nation was expecting it to discharge.

Today our President instructed the Korean authorities connected with the guarding of these prisoners to release them. As he said in a statement released today, a copy of which is herewith enclosed² for your reference, the reason why he took this action without consulting you in advance is too obvious to need any explanation. Whatever interpretation others may put on this, his sole motive of having done so was to cause as little embarrassment as possible to the United Nations Command. It is clear to him that no matter how you feel about the stand this Government has been taking on the P. O. W. question, you are duty-bound to abide by the agreement terms, which we do not regard as equally binding on us. Even to be consulted, however slightly, about our contemplated action would have been unbearably embarrassing to you. I hope you will take this well-meant silence not too badly.

We feel relieved to know that no violence occurred between the R.O.K. and United Nations P.O.W. camp personnel, though we regret very much that several scores of prisoners were killed and injured by United Nations guards. In this connection, I should like to call your attention to the mutual need of refraining from saying or doing anything that might likely provoke passions of the masses, which, once let loose, may easily get out of control. If there is any talk to be done, it had better be managed quietly, we believe.

As regards the 971 prisoners said to have been retaken and re-detained, and several thousands still being kept in stockades, I ask you to turn them over to us to be released by our own hands. We must liberate them all, preferably, if possible, in a manner least likely to cause trouble. For your concurrence, I should like to suggest that this note will be released with a view to publicly clarifying the situation and thus forestalling pernicious doubts that might otherwise multiply.

Communist Commanders to Gen. Clark, June 19

We have received the letter of June 18, 1953, from General Harrison of your side to Gen. Nam Il of our side.

In the letter your side stated that 25,000 captured personnel of the Korean People's Army, detained in P. O. W.

¹ BULLETIN of May 25, 1953, p. 755.

² Not printed.

camps Nos. 5, 6, 7, and 9 of your side "broke out" of and "escaped" from the P. O. W. camps on June 18 under the secret planning in advance and careful coordination at top levels in the South Korean Government and with the aid of the South Korean security units and outside assistance. Yet, Syngman Rhee of South Korea formally admitted that these P. O. W.'s were "released" on his order by the South Korean security units.

Only ten days ago, both sides had just signed an agreement on the question of repatriation of prisoners of war; yet, the South Korean Government and Army directly controlled by your side already flagrantly and openly violated this agreement in coercing the 25,000 prisoners of war who constitute more than half the total number of prisoners of war not for direct repatriation, into leaving a prisoner of war camp under the so-called order of "release" and through the actions of the secret agents and security units from inside coordinated with the outside and indicating openly that they were prepared to press-gang the prisoners of war into the South Korean Army so as to achieve the aim of forcibly retaining prisoners of war.

Moreover, this situation further developed. On June 19, another 1,813 prisoners of war were forced to leave the P. O. W. camp. Therefore, we cannot but consider the nature of this incident as extremely serious.

For some time the Syngman Rhee clique of South Korea has been clamoring for "opposing an armistice in Korea," "advancing to the north and unifying the whole nation" and "releasing all the Korean prisoners of war" who "refuse" repatriation. Your side is not unaware of such a question, yet your side did not adopt any actual measures to prevent and stop the occurrence of the Syngman Rhee clique in carrying out its long-premeditated scheme of violating the agreement of P. O. W.'s and obstructing the realization of an armistice. We consider that your side must bear the serious responsibility for this incident.

Our side has long ago and repeatedly called the attention of your side to the fact that so-called "preventing the forced repatriation" of P. O. W.'s which your side has propagandized all along is completely fabricated and does not occur at all; on the contrary, the possibility of forcible retention of prisoners does exist and is increasing all the time, which is what our side shall resolutely oppose. This incident of "releasing" and coercing P. O. W.'s by Syngman Rhee, which has now occurred, proves that the forcible retention of P. O. W.'s, which our side is against, has further become an unquestionable fact. The wrong stand and attitude of conniving which your side has taken all along on this question could not but have directly caused the occurrence of the incident and affected the implementation of the armistice agreement ready to be signed.

In view of the extremely serious consequences of this incident, we cannot but put the following questions to your side:

Is the United Nations Command able to control the South Korean Government and Army?

If not, does the armistice in Korea include the Syngman Rhee clique?

If it is not included, what assurance is there for the implementation of the armistice agreement on the part of South Korea?

If it is included, then your side must be responsible for recovering immediately all the 25,952 prisoners of war who are at liberty, that is, those who were released and retained under coercion and to be press-ganged into the South Korean Army, and your side must give assurance that similar incidents absolutely will not recur in the future. We are awaiting the reply of your side.

Supreme Commander of the Korean People's Army
KIM IL SUNG

Commander of the Chinese People's Volunteers
PENG TEH-HUAI

June 29, 1953

Gen. Clark to President Syngman Rhee, June 20

DEAR MR. PRESIDENT: In the summer of 1950, when the United States and other nations responded to your appeal to the United Nations to repel the armed attack upon the Republic of Korea by forces from North Korea, the United Nations received from you a message assigning command authority over all land, sea and air forces of the Republic of Korea to the commander, United Nations Command, for the duration of hostilities.³

The United Nations Command did not seek, and indeed, did not consider necessary any further or more formal commitments from your Government regarding the participation of Republic of Korea armed forces in the United Nations Command. I therefore have considered and do now consider that I have full command authority over all land, sea and air forces of the Republic of Korea. Nothing in our long association during our mutual prosecution of our common cause has prepared me to believe that I should consider otherwise.

This notwithstanding, and in clear violation of my authority, certain officers and men of the Republic of Korea Army willfully permitted the escape of many thousands of lawfully detained prisoners of war from various prisoner of war installations during the early morning hours of 18 June 1953, such officers and men having been officially enjoined with responsibility for the security of said installations and for the detention of said prisoners. Further, I have received information through the public press that this action was initiated on your orders and issued through an official who is not within the forces under my command.

I must inform you with all the sincerity which I possess that I am profoundly shocked by this unilateral abrogation of your personal commitment, which was so freely and voluntarily given at the time. As a matter of fact on several occasions in recent weeks you have personally assured both Ambassador Briggs⁴ and me that you would not take unilateral action with reference to R. O. K. forces under my control until after full and frank discussion with me.

Your actions today have clearly abrogated these assurances.

I cannot at this time estimate the ultimate consequences of this precipitous and shocking action on your part, nor can its effect on the common cause for which we have sacrificed so much during these past several years be forecast at this time.

Sincerely,

MARK W. CLARK,
General, U.S. Army

Statement by General Clark, June 21

The actions of the Government of the Republic of Korea in connection with the recent mass outbreaks of Korean anti-Communist prisoners of war were clearly a direct violation of the authority vested in me as Commander in Chief, United Nations Command. The Republic of Korea has acknowledged this authority since the summer of 1950, when it freely and voluntarily assigned command of all land, sea and air forces of the Republic of Korea to the Commander, United Nations Command, for the duration of hostilities—authority which, prior to the events of June 18, 1953, it has never questioned.

President Eisenhower has forcefully called this matter to the attention of President Rhee, and I have made urgent representations to President Rhee on the same subject. The actions of the Government of Korea on

³ For text of President Rhee's letter of July 15, 1950, see BULLETIN of Aug. 7, 1950, p. 206.

⁴ Ellis O. Briggs, U.S. Ambassador to Korea.

June 18 also directly violated solemn assurances repeatedly given to me in person by President Rhee over the past several weeks that no overt and unilateral action would be taken by his Government in connection with the removal of, or interference with, Republic of Korea forces under the United Nations Command without prior consultation with me.

These assurances from the responsible head of a sovereign state I accepted in good faith. It is now tragically clear, however, that President Rhee has unilaterally abrogated his previous assurances and that the mass outbreaks of Korean anti-Communist prisoners of war were not only aided but actually engineered by officials and troops of the Republic of Korea Government.

It was realized, of course, that the Republic of Korea Government had the capability of taking unilateral action with regard to the release of prisoners of war. It was also known that certain elements in the Republic of Korea Government had advocated privately and publicly that such action be taken. The personal assurances of President Rhee, however, were considered sufficient guarantee that no such action would be taken without prior consultation with me. I cannot emphasize too strongly my surprise and disappointment that this very serious step was taken.

In the light of developments over the past few weeks, during which the intransigent attitude of certain Republic of Korea officials toward an armistice became increasingly apparent, I gave careful consideration to the advisability of replacing the Republic of Korea security force units at Korean anti-Communist P.O.W. camps with other United Nations units. With the full knowledge of my Government, decision was made not to do so for several reasons:

First: The specially trained Republic of Korea Army security forces which had performed their duties in a commendable manner had given no evidence of disaffection. Because they are of the same race and speak the same language as the prisoners they were guarding, they filled the need which could not be fully met from any other sources within my command.

Second: In the delicate situation which prevailed, any move to replace Republic of Korea units would have reflected on the trustworthiness of those units and on the Republic of Korea, and might have precipitated the very kind of situation in the camps with the Republic of Korea which the United Nations Command has been very anxious to avoid.

Third: United Nations combat units were critically needed at the front, particularly in view of the desperate attacks launched by the enemy during the past few weeks; to have withdrawn the several thousand men necessary to replace the Republic of Korea Army security forces units would have constituted a serious drain on our front line forces.

At the same time, I directed that the normal information program in each of the camps concerned be expanded to insure a full understanding on the part of the anti-Communist prisoners of the position which the United Nations Command had taken in armistice negotiations on the matters pertaining to prisoners of war. The fact that neither force nor coercion would be permitted in repatriating prisoners of war was reiterated day after day in the hope that it would allay their very natural fears and apprehensions as to their future disposition.

In addition, I directed those of my commanders concerned with the security of these prisoners of war to devise control measures, to include riot control tactics. All my directives on these subjects had the full concurrence of my superiors in Washington.

Because the Republic of Korea Government has unilaterally and without previous notice abrogated its promises voluntarily given and because of the collusion, defection, and desertion of some Republic of Korea Army security force units, large numbers of anti-Communist prisoners of war have broken out of their camps and are now dispersed throughout South Korea, with apparent

support and assistance from the Republic of Korea Government. Such measures as are practicable are being taken to effect their return.

The action taken by President Rhee and the officials of his Government in making possible the mass breakout of these many thousands of prisoners has been a deep and personal disappointment to me and to my entire command. It has given rise to wholly unfounded suspicions of collusion on the part of the Republic of Korea Government and the United Nations Command to circumvent or abrogate the prisoner-of-war agreement recently reached at Panmunjom. There has been no such collusion, nor has the United Nations Command in any way been a party to this completely unauthorized action. The entire responsibility rests squarely upon President Rhee and the Government of Korea.

Political Conference on Korea

Press Conference Remarks by Secretary Dulles

Press release 318 dated June 15

In response to questions concerning the likely time, place, date, and agenda of the political conference following an armistice in Korea, Secretary Dulles made the following remarks at his press conference on June 15:

Under the provisions of the armistice, there would be a political conference to be held within 90 days of the conclusion of the armistice. The General Assembly of the United Nations has recessed with the understanding that they would be called back into session promptly upon the conclusion of an armistice. At that time they would presumably designate a committee of its members, a delegation of U.N. members, to take part in the conference. In addition, the Republic of Korea will certainly take part in the conference. Who will take part on the other side, we do not know.

Now, as to the agenda of the conference. The purpose from our standpoint will be to endeavor to assure the unification of Korea. That has been our objective for a long time. It was expressed during the war and at postwar conferences. It was expressed at the United Nations on several occasions. I myself was a member of the U.S. delegation which, in 1947 and again in 1948, put through the resolutions which called for the unification of Korea. I myself am a great believer in that unification, just as I believe in the unification of Germany and the unification of Austria. I believe all three of these unifications will come about, and I believe that we can expedite their coming about by appropriate political methods and by handling our case properly at this conference and at other opportunities that may be offered.¹

¹ Asked whether in the view of the United States the agenda of the political conference should be confined to Korean questions or include other Far Eastern problems such as Indochina, the Secretary replied that no conclusions on this had yet been reached.

U.S. Military Mission To Visit Indochina

Press release 329 dated June 20

In response to an invitation from the French Prime Minister when he visited Washington last March, a U.S. military mission headed by Lt. Gen. John W. O'Daniel, presently commander, U.S. Army Pacific, will arrive at Saigon on June 20. Its purpose will be to pursue discussions with Gen. Henri Navarre, Commander in Chief, Indochina, on the manner in which U.S. material and financial support of the effort of the French and Associated States armed forces in Indochina may best

contribute to the advancement of the objective of defeating the Communist forces there and of bringing peace and security to Vietnam, Cambodia, and Laos. It is believed essential to insure an increasingly close integration of U.S. assistance with the plans developed by the authorities of France and of the Associated States.

Arrangements are being made for the military leaders of the Associated States to participate in these discussions. The vital role of the national armies of Vietnam, Cambodia, and Laos and the increasingly important assumption of high military responsibilities by the Associated States will make these discussions of particular interest.

Some Aspects of American Foreign Policy

by Livingston T. Merchant

Assistant Secretary for European Affairs¹

I have frequently been impressed by the difficulty of discussing foreign policy without at the same time discussing a lot of other matters. Foreign policy today involves tax policy, budget policy, tariff policy, immigration policy, military policy, and dozens of other things.

We cannot make major decisions in international affairs without affecting to some degree the domestic scene. Nor can we safely make decisions on matters that used to be considered purely domestic without taking into account possible effects upon our international relations. We're in the position of a baseball pitcher who has to keep one eye on the batter, one eye on the base runner, and needs still another eye to watch the manager's signals.

What I'm trying to say is already fairly obvious to most of you. In this century, the business we call foreign affairs has become extremely complicated. I'm sure there are many career officers in the American diplomatic service who have a certain nostalgia for the "good old days" when life was simpler, when American security was not seriously threatened. In those days, our work was important, of course, but the consequences of a mistake were not quite so dangerous as they are today.

Our foreign relations have become all-important to our national security, our domestic prosperity, and even our survival, and we have to use

every practical technique available to protect American interests. We're playing for keeps.

I think some Americans have been perplexed and even shocked by the course of events which have converted the United States from a relatively secure nation at the turn of this century to a nation whose security is gravely imperiled today. Scholars and philosophers have devoted much thought to this subject, and many explanations have been offered. If we were able to live the last half-century over again perhaps many things would be done differently. The world looks simpler in hindsight.

But for myself, I am convinced that even the most enlightened policies on the part of national governments could not have reversed the tide of insecurity which has swept the earth in this century. Our greatest problem has been the onrush of modern technology. Perhaps if we had begun in the latter decades in the 19th century to jail all young men who were playing around with gasoline motors, trying to invent flying machines, investigating electrodynamics, and studying what was then considered the pure and harmless science of nuclear physics, we could have avoided many of our present difficulties. Then perhaps there would have been no planes to fly the oceans and attack our shores, no atom bombs to blast our cities, no great concentrations of economic and political strength to destroy the balance-of-power system which protected us for so many years. But such a course of action, we realize, would have been absurd. We cannot and do not wish to stop the march of science and technology. Our only al-

¹ Address made before the Machinery and Allied Products Institute at Washington, D.C., on June 11 (press release 312).

ternative is to try to develop the kind of national and international relationships among human beings which will permit these advances of science to be used for our benefit rather than our destruction.

I believe we must accept the probability that we face a long period of insecurity, that we may not achieve complete security in this generation or the next. Perhaps we can find some satisfaction in the thought I recently heard expressed by the great British historian, Toynbee, that nations gain certain advantages from insecurity. While I think Mr. Toynbee has a good point, I also feel that we could get along with a little less insecurity than we have at this moment.

While our foreign policies today, as in the past, must be designed to serve a variety of American interests, our cardinal purpose is to preserve the security of the people of the United States. We must keep constantly in mind the very grave dangers confronting us, and seek in every possible way to reduce and eliminate these dangers. The decisions of the Department of State, and of many other agencies of the Government, must be made with the problem of national security uppermost in our thoughts.

I suspect that some Americans are convinced that there is something mysterious and esoteric about the process of formulating foreign policy. While the process is often intricate, it is by no means mysterious. Our nation has certain broad objectives which are easily understood by most Americans. We are also confronted with certain inescapable facts which exist in the world. In essence, our job is to find methods of dealing with these facts which will permit us to reach our objectives.

I think it may be useful at this point for me to discuss briefly a few of the most important facts which we must recognize and take into account in developing American foreign policy at this stage of our history.

Soviet Power

First, our nation's safety is threatened by an adversary whose power is virtually unmatched in the records of human civilization. The Soviet Union controls one-third of the world's population. It dominates a large part of the world's land area. It possesses enormous natural resources, many of which are not yet fully exploited. Its present rate of industrial growth is greater than our own and considerably greater than that of Western Europe. It has the largest standing army and air force in history. Its policies and actions are not inhibited by the moral and humanitarian considerations which have traditionally restrained other governments and peoples from crimes against their neighbors. In addition, the Soviet empire has achieved a tight internal discipline maintained by military force, by the

secret police, and by a philosophy which makes every individual a creature of the state.

The Soviet empire also has unprecedented advantages in the field of political warfare. The Communists have already seized several countries without use of the Soviet armies. They also have strong support in many other countries that are still free. All disasters, weaknesses, and problems in the free world benefit the Communists and increase their opportunities of expanding their power. Our own security and national interests can only be served if conditions in other free countries improve, but the Communists' purposes are served if conditions in these countries become worse. And I think you will agree that it is easier to disrupt than to build.

Because of the Soviet Union's ability to combine a military threat with a continuing ideological campaign, the Soviet leaders are able to exercise a perpetual squeeze play against the free world. On one hand, if free nations fail to build their military defenses, they risk being overpowered by the Soviet military machine. On the other hand, if they concentrate an excessive portion of their energies and resources on military defense, they risk an economic and political collapse which would permit the Communists to seize power internally. Thus, the Soviet empire is constantly attacking the free world on two flanks at the same time, in the hope of taking nations one by one, exploiting their resources, gaining additional strength, and eventually becoming so powerful that the remainder of the free world can no longer resist Communist domination of the planet. The power of the Soviet empire and the nature of Communist tactics combine to present a threat far greater than has ever been presented by any other aggressor.

A second fact we must recognize was recently stated very simply by President Eisenhower when he said that the United States needs friends. In fact, the friendship and assistance of other free nations is absolutely vital to our national security.

I am convinced that a great deal of the controversy which arises from time to time over particular proposals and actions in the field of international affairs would disappear if the American people as a whole fully appreciated the limitations upon our national power. We are a strong country, but one of the most foolish things we could do would be to exaggerate our strength. We have only 6 percent of the world's population and a small part of its land area. We have tremendous and valuable natural resources but only a minor part of the total resources of the world. We are noted for our enormous industrial power, and yet the Soviet conquest of Western Europe alone would enable the Soviet empire to achieve industrial superiority. Moreover, we could not maintain our industrial production and our standard of living without raw materials which we import from other free nations.

U.S. Needs Strong Friends

Third, I want to stress the fact that we not only need friends but also need friends who are strong. In the overall world struggle that has been forced upon us, we cannot judge our capacity for resistance in terms of our own national army, navy, and air force, or in terms of our own economic and industrial production, without reference to the economic, military, and political capabilities of other free nations. It would be just as foolish for us to do this as it would be for Florida, California, or Connecticut to assess their respective abilities to withstand communism without reference to the power of the United States as a whole. If we view the world picture clearly and soberly, we will not limit ourselves to asking whether a division encamped along the shores of the Potomac has enough guns and tanks. We will also concern ourselves about the strength of a French division in Indochina, the strength of a British division in Western Germany, and the strength of a Chinese division on Formosa. We will ask whether the economic systems of Italy, and Iran, and India, and other countries are strong enough to permit the people of these countries to resist the appeals of communism and to make a positive contribution to the security of the free world.

Once we begin to think in these terms, we can appreciate more fully another important fact which we have learned in recent years. We have learned that a dollar spent in creating strength in other countries often buys a great deal more total strength than it will buy in this country. In our vast economy a few million dollars may add little or nothing to our ability to resist Soviet aggression. But these same dollars spent in technical assistance may provide the decisive margin by which countries in the Middle East and South Asia can reverse a downward economic trend and change it into an upward economic trend. And in Europe we have seen that our military and economic assistance exercises a similar multiplier effect in the development of defensive strength. Because the Europeans themselves pay most of the cost of their defenses, with the United States supplying only the critical margin which the Europeans cannot provide, the military forces made possible by American assistance are far more powerful than the United States could build for the same amount of money in this country, where we would have to pay the total cost.

A final fact I want to stress today is the important relation between economic health in other free countries and our efforts to achieve world peace and security. We can neither keep the friendship of other peoples nor hope to see them become strong unless they are able to establish conditions of economic stability and growth. Without economic health, the military defense we are helping to build will be limited in size and effectiveness. Without economic health, free and

orderly political institutions will tend to disintegrate. If economic conditions remain stagnant or deteriorate, the Communists will have an opportunity to seize new territories without firing a shot. Most of us are well aware that economic collapse in other countries would have the most serious effects upon our exports and imports and upon our domestic prosperity. It is equally important to understand that economic conditions abroad vitally affect our national security.

In this connection, I would like to draw particular attention to Europe, the area for which I have special responsibility in the Department of State. Secretary Dulles has already told the Congress and the general public about the substantial progress which Europe is making in the development of military defenses. We have also witnessed, since the early postwar years, a steady decline in the political power of the Communists in free Europe. Today, however, there are ominous clouds on the economic horizon which threaten to undo much of the good work which has been done.

Europe's Economic Problems

During the last year, the steady rise in overall European production which began with the Marshall plan has leveled off. Intra-European trade has declined. Since mid-1950, living standards in Europe as a whole have not risen significantly. Inflation in several countries has continued to undermine economic stability; since the Korean war prices in France have risen more than 40 percent. Taxes are severe; it may astonish many Americans to realize that the percentage of national and individual income taken by taxes in the European NATO countries, as a whole, is slightly higher than the percentage taken by all Federal, State, and local taxes in the United States. Finally, Europe's balance of payments with other parts of the world, especially the dollar area, remains unfavorable.

All these facts were recognized by the NATO ministers who met in Paris last April to develop NATO defense plans for 1953. It was obvious that the defense efforts of most European governments had closely approached the limits of their economic capabilities. Rather than waste their resources in a precipitate buildup to a defense level that could not thereafter be sustained, NATO has abandoned any fixed-date target and is seeking a more gradual and more realistic continuing buildup.

But the acceptance of a more realistic defense program has not by any means solved Europe's basic economic problems. Some of these problems are very deep-rooted and can only be solved over a long period of years. Despite the outstanding achievements made possible by the Marshall plan, it is evident that there were several European economic problems which it did not and could not solve. Let me give a few examples.

Before the war, Europe earned a substantial portion of its income from capital investments, services, and other so-called "invisible transactions." These earnings helped to compensate for Europe's recurring import surplus. On the average, prewar Europe received a net income from invisibles amounting to approximately 1½ billion dollars per year. During the war, much of Europe's capital was destroyed, stolen, or liquidated to support the military effort. As a result, invisibles ceased to provide Europe a net income and in 1947 represented a net deficit of approximately 500 million dollars. While Europe's economic position has greatly improved since that time, there has been no opportunity for the Europeans to re-accumulate the capital needed for domestic and overseas investment.

Next, let us remember that several European nations during and after the war lost large portions of their overseas empires which had formerly provided markets for European products as well as sources of raw materials. While the independence of these colonial areas will probably contribute, in the long run, to the strength of the free world, one immediate effect was to disrupt traditional patterns of trade and create additional economic problems in Europe.

Normal trading patterns were further disrupted by the Soviet seizure of Eastern Europe which formerly exchanged large quantities of coal, grains, timber, and other raw materials for Western Europe's industrial products. All told, trade between Eastern and Western Europe is now only about one-third the prewar level. As a result, Western Europe must import many important raw materials from areas where higher prices prevail and pay the large transportation costs of carrying these goods across oceans. Some trade between Eastern and Western Europe continues, and we recognize that the products received from the East contribute significantly to Western Europe's economic stability. Without this trade the strain on free Europe's economy would be seriously aggravated. Despite the importance of this trade, our allies are cooperating with us to deny strategic materials to the Soviet bloc, and we must recognize that these measures limit still further the possibility of acquiring needed imports from that area.

Another obstacle to full economic recovery in free Europe has been the drastic shift in what we call the "terms of trade." Since the war, the prices of the goods which Europe must buy from other areas have substantially outdistanced the prices of the goods which Europe is able to sell. The effect upon Europe is very similar to the effect upon an American manufacturer who finds that the cost of raw materials and labor have pyramided while the market for his own product remains the same.

Finally, we must remember that while the Marshall plan helped Europe to increase its industrial

production by about 50 percent, it did not automatically provide new markets for these products. Today, Europe still must import goods from many parts of the world but has not been able to find adequate export markets with which to pay for these imports.

This problem has great significance for American businessmen, including those in this audience. Many of you have goods which you would like to sell to Europe. Europe would like to buy these goods and will probably need imports of this kind for many years to come. There's just one obstacle to what would otherwise be a very satisfactory business relationship. Unfortunately, you gentlemen prefer to be paid for what you sell. And the Europeans have great difficulty in getting their hands on the dollars needed to pay you. As a result, you lose business, the European consumer goes without, the European economy suffers, the European defense system is limited, and American security is endangered.

As I have said, Europe's economic problems are not simple. They can only be solved over a long period of years, and the fundamental solutions must be found by the Europeans themselves. However, Europe's economic health is so important to us that we have a vital interest in contributing to a positive solution. Let me outline some of the policies which President Eisenhower's administration is pursuing.

U.S. Foreign Economic Policies

First, the United States is encouraging European unity by every reasonable and practical means. At the moment, our interest is focused primarily on the treaty creating a European Defense Community (Edc) because this plan offers a practical method of achieving a vitally important military contribution from Western Germany within the framework of an integrated European defense system. But the ultimate values of unity go far beyond military defense. It is hoped that the Edc, taken together with the existing Coal and Steel Community, and other efforts toward integration, will provide a basis for the eventual political and economic federation of Europe, thereby giving Europe the advantages of a broad common market, investment area, and productive system similar to what we have in the United States.

Second, the Government is continuing direct assistance to certain countries in Europe, though at a reduced level. We believe that economic aid must be held to a minimum, both because it is uneconomical and also because economic aid has many unpleasant psychological and political consequences. Nearly all of the aid President Eisenhower has requested for Europe is to be used for the purpose of building Europe's military defenses. However, certain parts of this assistance will have the secondary value of enabling Europe

to earn U. S. dollars. I refer primarily to the off-shore procurement program, which will be discussed in greater detail by another speaker.

Third, we hope to encourage greater private investment in Europe. The role of the Government in stimulating investment is of course limited, but we are carefully exploring prospects for making Europe more attractive to American private investors.

Fourth, we believe that our technical assistance and capital-development programs in the underdeveloped areas of Asia, Africa, and South America, in addition to helping strengthen these areas, will indirectly benefit free Europe by expanding supplies of raw materials available from non-dollar sources.

These measures I have mentioned, if accompanied by European efforts to attain fiscal stability, to achieve freer convertibility of currencies, and to expand productivity, may be expected to exercise a favorable effect upon the overall European economy. However, it is unlikely that any of these measures can provide a complete and permanent solution to one of Europe's most acute and most difficult problems—the dollar shortage. If we want the European people to continue to maintain vigorous free institutions, if we want Europe to be a strong shield against Soviet aggression, if we want to sell goods to Europe, if we want Europe to continue its vital contribution to the security of Asia and the Near East—we must accept one hard, inescapable fact—Europe must have dollars. Whether the Europeans sell us goods for these dollars, earn dollars in third countries, or receive dollars as gifts, they must obtain dollars in some way if they are to cooperate with us effectively in the struggle for freedom.

I am not a trade expert, and I cannot honestly tell you that our international security requires that this or another American tariff rate or other trade restriction should be modified in a particular way. As you know, President Eisenhower recently called for a comprehensive study of American economic foreign policies including tariff and trade policies. This study will take account of domestic considerations as well as the problem of international security. Pending the completion of this study, it would be inappropriate for me to attempt to make any proposals concerning the methods by which the nations of Europe can increase their supply of dollars by selling goods in the U. S. market. However, I believe all of us realize that we are faced with a limited number of alternatives. And I think we all agree that if we can find ways to help the Europeans market their products in the United States without serious damage to American producers, we will be able to establish a much more satisfactory economic relationship with Europe than can ever be established on the basis of economic grants.

In speaking to you today, I recognize that I have raised a great many more questions than I have answered. Perhaps this is typical. Someone, I've forgotten who, once defined a diplomat as "a man who can find a problem for every solution." However, I am quite serious when I say that I believe our first task is to identify and recognize our problems as they really exist, to know the facts we face, and to understand the alternatives that we possess.

A great American once said that "the frontiers are neither east nor west, north or south, but wherever a man faces a fact."

Today, I believe that the frontiers of human freedom do not follow the long, barricaded line called the Iron Curtain, but rather are to be found in our own minds—in our own willingness to recognize facts and our determination to take whatever action may be required to insure the survival of the things we believe in. This is our challenge and our strength. I shall always believe that the intellectual and spiritual powers which grow in the environment of freedom will prove stronger than the power of any tyranny that man can devise.

Building Closer U.S.-Spanish Relations

by James Clement Dunn

Ambassador to Spain¹

The reputation of the Spanish people for hard work and perseverance in the face of difficulties is well known. Since my return to Spain I have been impressed greatly by the visible signs of reconstruction and economic progress which have been achieved in the face of a series of adverse developments, including civil strife followed by the disruption of the Second World War and a decade of recurrent droughts with their terrible impact on agriculture and electric power availabilities. Spain's economic achievements under such difficult circumstances are a tribute to the tenacity of purpose and to the industriousness of the Spanish people.

The short time I have been in Spain has not allowed me to gain an intimate knowledge of specific problems of Spanish-American trade. But I am aware that such problems exist—as in fact they do everywhere—and that you gentlemen have to deal with them every day of your lives. I realize that what you can accomplish by your individual efforts often depends on factors not entirely within your control. Of these, possibly the most important single factor is the relationship between the Government of Spain and the Government of the United States.

All of you are aware that for more than a year

¹ Translation of an address made in Spanish before the annual meeting of the American Chamber of Commerce at Barcelona, Spain, on June 16.

negotiations have been proceeding between our two governments looking toward a much closer and more intimate relationship than has ever before existed between our two countries. You will understand that while these negotiations are in progress, it is not proper for me to discuss them in detail. But it is entirely proper for me to say that they have been conducted in the most frank and friendly atmosphere, in a spirit of mutual respect and comprehension, and with a sincere desire on both sides to understand the motives and ideals which guide us and to reach agreements which will contribute not only to the best interests of both countries but to the common defense of Western Europe as well.

Although these negotiations are primarily for the building of greater facilities for mutual defense, their successful conclusion will, I am convinced, provide a firm foundation for the development of future trade, for enlarged private investment, and for the drawing together of our two peoples in an increasing measure of cultural, scientific, and commercial interchange to the benefit of both. Spain and the United States already have a cultural, historical, and traditional background of mutual interest which inevitably draws them together.

In the world today there is one issue which transcends all others. Our heritage of culture and civilization faces the most dangerous spiritual and material threat which history has recorded. We all realize that to resist this threat successfully, each nation must make the full contribution which its strength and resources permit. The foremost responsibility of all of us, therefore, is to insure the survival of our liberty and independence.

U. S. Expenditures for Defense

The recognition by the American people of this peril is manifest in the rapid expansion of their own military forces, in the large sums being devoted to military research and production, and in the large amounts of military assistance going to like-minded nations in many parts of the world. The financial sacrifices which the American people have placed upon themselves to meet the danger and to achieve this program are reflected in the fact that almost 73 percent of all U.S. budgetary expenditures are for security purposes. The strengthening of the free world's military defenses has gone far beyond financial aspects, as evidenced by the casualties of 136,000 of America's sons in holding the line against aggression in Korea.

The situation I have set forth explains why a larger proportion of U.S. foreign-aid funds are now devoted to military assistance and why the remainder is for economic purposes which directly support the defense effort. The actual administration of these funds is a matter of cooperation between friendly governments, of mutual accom-

modation and decision based on the exchange of ideas concerning the common objective of defense of our liberties. Once these mutual decisions of a basic character are made, it is the responsibility of each government within the area of its sovereignty to direct and control their implementation.

Although, as I have said, U.S. economic-aid funds are oriented toward the defense effort, it is apparent that their use will contribute to strengthening the economy of the nations receiving them. We recognize that a strong economy is an integral part of the free world's effort to combat the threat of aggression. Specifically in the case of the Spanish economy, the United States has demonstrated its interest during the past year in the completion of allocations of the \$62.5 million credit for economic development projects and in the allocation of two credits of \$12 million each for the shipment of cotton to keep Spain's spinning and weaving mills operating at reasonable levels.

Buildup of Moral Strength Vital

Considerations of a military and economic character are of great importance, but above all we must build the moral strength which stems from high ideals and the traditions of honesty and clear purpose.

When governments assume the responsibilities that are inherent in the concept of mutual trust, mutual aid, mutual defense—then the peoples of such nations assume like responsibilities. It becomes the duty of all of us to direct our energies to the mutual objective; to guard ourselves against the kind of pettiness that separates one ally from another—one good friend from another good friend. Our Western culture is a synthesis of various national elements which contribute, like those of Spain, to its greatness. Our immediate objective in this difficult time is to preserve this Western culture and the principles upon which it is based. Our enemies are constantly attempting to divide and destroy the nations of the West by exploiting the minor differences which arise when independent, sovereign nations work together. We must not allow them to succeed. The survival of the free nations depends upon their ability to compose their differences and to work together.

Personally, I believe that we can look forward with confidence to the future. The free nations possess not only the material resources but the spiritual and moral values essential to defend themselves should the necessity arise. Americans, like Spaniards, believe that man is a creature of God and that his destiny can only be realized through moral law. I am convinced that this idealism, this devotion to God and country provides a sound basis for a mutual collaboration between our two countries which will express our common determination to resist the forces of evil and lead us to a common destiny of peace, progress, and prosperity.

Achieving a Healthy World Economy

by Winthrop W. Aldrich
*Ambassador to Great Britain*¹

We stand today at a crossroads in the development of the world economy. In the closing years of the last war, efforts were made to create the elements of a global economic system which would provide the much needed increased production and improved standards of living for peoples throughout the world. Attainment of these objectives was seen to be dependent on encouragement of the international flow of goods and services, capital, and money. There was to be a code of international rules and a new worldwide institution in each of three fields: The International Bank to foster investment and development; the International Monetary Fund to foster orderly foreign-exchange patterns and to help finance short-term fluctuations, and the International Trade Organization to foster an expanding world trade without discrimination. The latter institution did not come into being, but substantial progress toward some of its objectives was made through the General Agreement on Tariffs and Trade.

These concepts and institutions have been of some value. The World Bank in particular, under prudent and imaginative management has come to play an increasingly constructive role. But the dislocations in the world economy, some of long standing, all vastly intensified by the war itself and further aggravated by the cleavage of East and West and the needs of Western rearmament, proved too severe to be dealt with by the concepts of Bretton Woods alone.

Over the last 8 years, the foundations of the free-world's economy have been maintained with the help of a series of temporary measures, including UNRRA, the Marshall plan, the Mutual Security Program, the European Payments Union, and others. There has been an amazing recovery in production in war-torn Europe and Japan. In

most of Europe, internal finances have achieved at least a semblance of order. The free world has survived the shock of the post-Korean inflation and some subsequent downturn. The immense dollar chasm of the immediate postwar years has been greatly narrowed.

Nonetheless, the problem of dollar shortages throughout the free world, and especially in Europe, remains a critical one. It is made manageable today only by crude and wasteful devices: severe restrictions abroad against dollar imports, complex and cumbersome exchange controls, and the abnormal contributions of American aid and foreign military expenditures. While such devices have kept crises within bounds and prevented utter collapse, they cannot be reconciled with the healthy and durable foundation for an expanding world economy which both we and our friends abroad require for our mutual security and prosperity.

U.S.-U.K. Washington Talks

This fact is recognized by thoughtful and far-seeing men of affairs in both public and private life the world over. It was this fact which led to the Commonwealth Conference in London of last December. Early last March, shortly after I took office as American Ambassador, I returned to Washington to attend the meetings at which British Foreign Secretary Eden and Chancellor of the Exchequer Butler presented to our new administration the results of the Commonwealth Conference and besought our cooperation in working out jointly policies and measures which would provide a sounder foundation for international trade, finance, and economic development.² The Washington talks would have been noteworthy alone for the personal contacts then established between the responsible leaders of our two Governments, for the pound sterling and the American

¹ Excerpts from an address made at the Harvard University Graduate School of Business Administration, Cambridge, Mass., on June 12.

² BULLETIN of Mar. 16, 1953, p. 395.

dollar are the two great trading currencies of the free world. But the talks produced more than these indispensable personal contacts: they elicited a free and genuine meeting of minds on "the essential elements of a workable and productive economic system within the free world." These elements were defined as (a) sound internal economic policies by debtor and creditor countries alike; (b) freer trade and currencies; (c) creation of conditions for the sound development of free-world resources; (d) constructive use of international institutions.

Under the heading "freer trade and currencies" it was agreed that:

On the financial side the objective should be the eventual convertibility of sterling and other currencies and the gradual removal of restrictions on payments. On the trade side the objective should be to bring about the relaxation of trade restrictions and discriminations in a way which, in the words of President Eisenhower's State of the Union Message, "will recognize the importance of profitable and equitable world trade." It is in the interest of the United States to take such measures as are exemplified in the President's message in order that the members of the free world may the better pay their way by their own efforts.

Our Government stated its intention to undertake over the ensuing months an intensive review of these subjects, to arrive at a sound judgment on specific courses of action. Since that time, President Eisenhower has initiated a series of steps to move forward on this front. He has assigned responsibility within the administration to follow up the economic and financial talks held with the United Kingdom, with the Organization for European Economic Cooperation in Paris, and with the representatives of other European governments. He has requested the extension without change for a year of the Reciprocal Trade Agreements Act, pending the thorough reexamination of our whole foreign economic policy. He has requested the passage during the current session of Congress of a measure to simplify customs administration. He has supported a change in the drastic method of controlling imports of dairy products and other agricultural commodities now required by section 104 of the Defense Production Act. Most important, he has recommended the establishment by the Congress of a Commission, to include members of both Houses of Congress and members appointed by the President, to make a review of our whole foreign economic policy as the basis for action during the 1954 congressional session.

This series of steps reflects the considered determination of the administration to develop a foreign economic policy which is, in the President's words "consonant with our position as the world's greatest creditor nation." This is a complex area which touches directly the interests of many and varied segments of our economic life. Awareness of this closeness of interest is reflected in discussion

and debate in business, farm, and labor circles over the entire nation. I am greatly encouraged to see a growing number of key organizations in the country's economic life emerging from this process of debate with a recognition of the changed position of the United States in the world and strong endorsement of trade and investment policies appropriate to our creditor status. The views of these organizations will greatly assist the new Commission in its work.

In developing its recommendations on specific measures, the Commission will have to find ways and means of advancing the basic national interest by striving for a healthy world economy with due consideration for the needs of our domestic economy. I cannot anticipate what detailed proposals will be evolved, but I do know what their fundamental direction must be. That is an increased readiness to admit imports in open competition in our own markets so that our friends abroad can earn the means to buy what they want and desperately need from us and what it is in our interest to sell them. To achieve this is essential to our own economic interest; it is also vital to our political and security interests in the free world.

It is essential that our policy of accepting increasing imports be a steady and a continuing policy, and that we make this clear to producers and suppliers in other countries. In a recent broadcast to the nation, President Eisenhower stressed the need for a "healthy two-way trade." A healthy trade cannot be built in an atmosphere of uncertainty. One of the things which gives businessmen abroad the most concern is the fear that if they are successful in building up a good business in our country, it will suddenly be limited or cut off by governmental action. We must find ways of removing the grounds for this fear.

'Buy American' Policy Archaic

In my opinion there is one element in our policy that is clearly archaic. I am sure that it adds to the cost of our Government. It certainly decreases the opportunities for other countries to earn their way. It obviously runs counter to the principle of fair business competition. It is regularly cited abroad as one more indication that the United States is not prepared to act as a good creditor. I am convinced that it is totally unnecessary as a support to American industry.

This is the "Buy American" legislation, under which, as a Government, we buy goods from abroad in only the most exceptional cases. Why should we not be sensible and abandon this obsolete policy? Unless there is bona fide necessity or other clearly demonstrable national interest considerations to the contrary, let us make our public purchases wherever goods of comparable quality can be found on competitive and advantageous terms. This would both save money for our taxpayers and promote world balance by re-

moving one more obstacle to competitive business opportunities for our friends.

I stress American trade policy not as the sole, but as one indispensable element in a constructive total foreign economic policy. There are other essential elements: the promotion of private investment, expanded tourism, a sound strategic stockpiling policy, and the like. Nor can a healthy world economy be built by the United States alone. We can only remove obstacles to the efforts of others to earn their way in the world; they must produce the right goods and services at the right prices and at the right time, and they must find the energy and drive to sell them. International financial arrangements must be designed to facilitate the flow of goods and services, but no financial arrangements can substitute for a pattern of balanced physical trade. It will take unremitting effort and close cooperation throughout the free world to create such a pattern.

I think it is right that time should be taken for the most thoroughgoing canvass of all aspects of these policies and their implications. But the world does not stand still. Failure to move resolutely forward can easily result in slipping backward. The President's target for decisive forward action is the congressional session which begins next January. In my judgment, that is none too soon.

To achieve a healthy world economy will require some adjustments at home, as well as abroad. But the stakes are very high. Failure to find durable solutions would mean at the best a continued patchwork of unpalatable stopgap remedies and, at the worst, and far more likely, a shrinkage of world trade which would undermine our own prosperity and threaten disaster to our allies abroad. The United States has learned by painful experience that it cannot afford political or military isolation; we are also learning that we cannot afford economic isolation.

Liberia Withdraws From GATT

Press release 310 dated June 9

The U.S. Government has been informed by the United Nations at New York that the Government of Liberia has notified the Secretary-General of the United Nations of its intention to withdraw from the General Agreement on Tariffs and Trade (GATT), effective June 13, 1953. Under the terms of the Protocol of Provisional Application of the General Agreement, any contracting party may withdraw on 60 days' written notice to the Secretary-General of the United Nations.

The withdrawal of Liberia from the General Agreement will not result in any alteration in U.S. duties. The only concessions which the United States made to Liberia in the General Agreement were bindings of the duty-free status of latex or crude India rubber (not including jelutong or

pontianak) (par. 1697); palm oil (par. 1732); and palmyra, piassava, and palm-leaf fibers, not elsewhere specified (par. 1684). All these items were also bound duty-free in GATT to the United Kingdom, and this status continues.

Import Quota Imposed on Shelled Filberts

Background Information

White House press release dated June 10

The President on June 10 issued a proclamation placing a limitation on the importation of shelled filberts during the 1952-53 crop year.

The proclamation, which puts into effect the findings and recommendations of the U.S. Tariff Commission, was found necessary under section 22 of the Agricultural Adjustment Act in order to keep the level of imports consistent with the Department of Agriculture's filbert marketing agreement and order.

The proclamation will limit to 4,500,000 pounds the total quantity of shelled filberts that may be imported for consumption or withdrawn from warehouses where stored as a result of importation, during the period October 1, 1952 to September 30, 1953.

The U.S. filbert industry had accumulated excessive inventories during the 2 previous marketing years, while a record filbert crop was harvested by growers last fall. Under provisions of the filbert marketing agreement and order, a substantial portion of the crop had to be shelled. As a result, U.S. production of filbert kernels during the 1952-53 season reached an alltime high of 3,300,000 pounds. This production has been in competition with lower-priced imports, resulting in a return to U.S. filbert growers of only 55 percent of parity for the 1952 crop. The President felt, therefore, that the quota restriction was necessary to fulfill the objectives of the filbert marketing agreement and order under section 22.

The Tariff Commission, which instituted its investigation of the filbert marketing situation on April 13, 1952, will continue its studies and will report its findings from time to time to the President.

Proclamation 3020¹

1. WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935, 49 Stat. 773, reenacted by section 1 of the act of June 3, 1937, 50 Stat. 246, and amended by section 3 of the act of July 3, 1948, 62 Stat. 1248, and section 3 of the act of June 28, 1950, 64 Stat. 261 (7 U. S. C. 624), the President caused the United States Tariff Commission to make an investigation to determine whether almonds, filberts, walnuts, Brazil nuts, or cashews are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render

¹ 18 Fed. Reg. 3453.

or tend to render ineffective, or materially interfere with, certain programs or operations undertaken by the Department of Agriculture with respect to almonds, pecans, filberts, or walnuts, or to reduce substantially the amount of any product processed in the United States from almonds, pecans, filberts, or walnuts with respect to which any such program or operation is being undertaken; and

2. WHEREAS the said Commission instituted such investigation on April 13, 1950, and in the course of such investigation has from time to time reported to the President regarding the need for the imposition of restrictions under the said section 22 in order to prevent imports of tree nuts from rendering ineffective, or materially interfering with, tree-nut programs of the Department of Agriculture; and

3. WHEREAS the said Commission reported to the President on September 25, 1952, regarding the need for action under the said section 22 in order to protect tree-nut programs of the Department of Agriculture for the 1952-53 crop year, and the President, on the basis of such report and recommendations made by the said Commission in connection therewith, issued a proclamation on September 27, 1952 (Proclamation 2991; 17 F. R. 8645), carrying out in part the said recommendations; and

4. WHEREAS, on the basis of the said report of September 25, 1952, and the investigation covered thereby, I find that shelled filberts (whether or not blanched) are practically certain to be imported during the remainder of the 12-month period ending September 30, 1953, in such quantity and under such conditions as to render or tend to render ineffective, or materially interfere with, the program undertaken by the Department of Agriculture with respect to filberts pursuant to the Agricultural Marketing Agreement Act of 1937, as amended; and

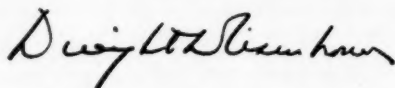
5. WHEREAS I find and declare that the imposition of the quantitative limitation hereinafter proclaimed is shown by the investigation of the said Commission to be necessary in order that the entry of imported shelled filberts (whether or not blanched) will not render or tend to render ineffective, or materially interfere with, the said program undertaken by the Department of Agriculture with respect to filberts:

NOW, THEREFORE, I, Dwight D. Eisenhower, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, as amended, do hereby proclaim that no shelled filberts (whether or not blanched) shall be permitted to be entered, or withdrawn from warehouse, for consumption hereafter and prior to October 1, 1953, which would permit the total quantity of such filberts entered, or withdrawn from warehouse, for consumption during the period October 1, 1952 to September 30, 1953, both dates inclusive, to exceed 4,500,000 pounds, which permissible total quantity I hereby find and declare to be proportionately not less than 50 per centum of the average annual total quantity of shelled filberts which were entered, or withdrawn from warehouse, for consumption during the representative period hereinafter mentioned.

I hereby determine that the period October 1, 1949 through September 30, 1951 is a representative period for the purpose of the first proviso to section 22 (b) of the Agricultural Adjustment Act, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the city of Washington this 10th day of June in the year of our Lord nineteen hundred and fifty-three, and of the independence of the United States of America the one hundred and seventy-seventh.



By the President:

JOHN FOSTER DULLES,
Secretary of State.

New Import Quotas Placed on Certain Dairy Products and Oils

Background Information

White House press release dated June 8

The President on June 8 issued a proclamation putting into effect the findings and recommendations of the U.S. Tariff Commission under section 22 of the Agricultural Adjustment Act as amended, with respect to certain dairy products, flaxseed and linseed oil, and peanuts and peanut oil.

In the past, regulation of imports of these certain dairy and other farm products by the Department of Agriculture has been specified under section 104 of the Defense Production Act, which expires on June 30 unless further extended by legislation.

The President's action places the Department of Agriculture's crop-control and price-support programs for these products in the same status as the Department's crop-control and price-support programs for other agricultural products.

These limitations on imports are found to be necessary to protect the U.S. Department of Agriculture's crop-control and domestic price-support programs for these products from being materially interfered with by excessive imports from foreign countries.

Under this new arrangement the Department's crop-control programs for these products are placed on a more consistent basis and they can be patterned to meet the new crop conditions as they arise. Also under section 22 of the Agricultural Adjustment Act, the Government, when necessary, can adjust the quotas or fees on imports to be no greater than are required to protect adequately the Department's domestic crop-control and price-support programs from being materially interfered with by excessive imports. This new arrangement is less arbitrary and makes these Government programs conform more with the requirements of the Government's foreign trade and economic policy and with the reciprocal trade agreements to which the United States is a party.

If in the future these restrictions should prove to be either excessive or inadequate, the fees and quotas on imports may be adjusted under section 22 to meet the situation by action of the President upon recommendation of the Tariff Commission.

The new quotas and fees will become effective July 1, 1953, when section 104 of the Defense Production Act expires, unless it is renewed by further legislation.

In addition to the commodities listed in the President's Proclamation, the Tariff Commission's investigation covered imports of tung nuts and tung oil. Imports of these products are currently restricted by direction of the Secretary of Agriculture under section 104 of the Defense Production Act. The Tariff Commission, however, re-

Article	LIST I	Quantity
Butter		707,000 pounds
Dried whole milk.		7,000 pounds
Dried buttermilk.		496,000 pounds
Dried cream.		500 pounds
Dried skimmed milk		1,807,000 pounds
Malted milk, and compounds or mixtures of or substitutes for milk or cream.		6,000 pounds (aggregate quantity)

Article	LIST II	Quantity
Cheddar cheese, and cheese and substitutes for cheese containing, or processed from, Cheddar cheese.		2,780,100 pounds (aggregate quantity)
Edam and Gouda cheese		4,600,200 pounds (aggregate quantity)
Bluemold (except Stilton) cheese, and cheese and substitutes for cheese containing, or processed from, bluemold cheese.		4,167,000 pounds (aggregate quantity)
Italian-type cheeses, made from cow's milk, in original loaves (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, and Sbrinz).		9,200,100 pounds (aggregate quantity)
Peanuts, whether shelled, not shelled, blanched, salted, prepared, or preserved (including roasted peanuts, but not including peanut butter).		1,709,000 pounds (aggregate quantity): Provided, That peanuts in the shell shall be charged against this quota on the basis of 75 pounds for each 100 pounds of peanuts in the shell

Article	LIST III	Fee
Peanut oil.		25% <i>ad valorem</i> on peanut oil entered or withdrawn from warehouse, for consumption during any 12-month period beginning July 1 in excess of 80,000,000 pounds
Flaxseed (except flaxseed approved for planting pursuant to the Federal Seed Act)		50% <i>ad valorem</i>
Linseed oil, and combinations and mixtures in chief value of such oil.		50% <i>ad valorem</i>

ported that it did not find that imports of tung nuts and tung oil would, if unrestricted by measures taken under section 104 or section 22, be practically certain to interfere with the program of the Department of Agriculture with respect to the domestic production of tung nuts. The Commission therefore did not recommend that any restriction be imposed on imports of these products.

The President has authorized the Tariff Commission to release the report made to him on the investigation of imports subject to restriction under section 104 of the Defense Production Act.¹

Proclamation 3019²

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935, 49 Stat. 773, reenacted by section 1 of the act of June 3, 1937, 50 Stat. 246, and as amended by section 3 of the act of July 3, 1948, 62 Stat. 1248, section 3 of the act of June 28, 1950, 64 Stat. 261, and section 8 (b) of the act of June 16, 1951, Public Law 50, 82d Congress (7 U. S. C. 624), the Secretary of Agriculture advised me that he had reason to believe that upon the expiration of section 104 of the Defense Production Act of 1950, as amended, the products included in the lists appended to and made a part of this proclamation are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, programs undertaken by the Department of Agriculture with respect to certain of such articles or with respect to products from which certain of such articles are processed, or to reduce substantially the amount of one or more of

¹ Copies of the Commission's report may be obtained by addressing requests to the U.S. Tariff Commission, 8th and E Sts., N.W., Washington 25, D. C.

² 18 Fed. Reg. 3361.

such articles processed in the United States from agricultural commodities with respect to which a program of the Department of Agriculture is being undertaken;

WHEREAS, having agreed with the Secretary of Agriculture's reason for such belief, I caused the United States Tariff Commission to make an investigation under the said section 22 with respect to the said articles;

WHEREAS, the said Tariff Commission has made such an investigation and has reported to me its findings and recommendations made in connection therewith;

WHEREAS, on the basis of the said investigation and report of the Tariff Commission, I find that in the event section 104 of the Defense Production Act of 1950, as amended, expires under its present terms, the articles included in the lists appended to and made a part of this proclamation are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, programs or operations undertaken by the Department of Agriculture or agencies operating under its direction, pursuant to sections 101, 201, 301, and 401 of the Agricultural Act of 1949, as amended, and Part VI of Title III of the Agricultural Adjustment Act of 1938, as amended, with respect to certain of such articles or with respect to products from which certain of such articles are processed, or to reduce substantially the amount of certain of such articles processed in the United States from agricultural commodities with respect to which the said programs or operations of the United States Department of Agriculture are being undertaken; and

WHEREAS I find and declare that in the event section 104 of the Defense Production Act of 1950, as amended, expires under its present terms, the imposition of the fees and quantitative limitations hereinafter proclaimed is shown by such investigation of the Tariff Commission to be necessary in order that the entry, or withdrawal from warehouse, for consumption of such articles will not render or tend to render ineffective, or materially interfere with, the said programs or operations, or reduce substantially the amount of products processed in the United States from agricultural commodities with respect to which certain of the said programs or operations are being undertaken:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, as amended, do hereby proclaim that on and after July 1, 1953, articles included in the lists appended to and hereby made a part of this proclamation shall be subject to quantitative limitations and fees, as follows:

1. Articles included in Lists I and II (except peanuts) shall be permitted to be entered only by or for the account of a person or firm to whom a license has been issued by or under the authority of the Secretary of Agriculture, and only in accordance with the terms of such license. Such licenses shall be issued under regulations of the Secretary of Agriculture which he determines will, to the fullest extent practicable, result in (1) the equitable distribution of the respective quotas for such articles among importers or users and (2) the allocation of shares of the respective quotas for such articles among supplying countries, based upon the proportion supplied by such countries during previous representative periods, taking due account of any special factors which may have affected or may be affecting the trade in the articles concerned. No licenses shall be issued which will permit any such articles to be entered during any 12-month period beginning July 1 in excess of the respective quantities specified for such articles in Lists I and II and, in the case of articles included in List II, during the first 4 months and the first 8 months of any such 12-month period in excess of one-third and two-thirds, respectively, of such specified quantities.

2. No peanuts included in List II shall be entered during any 12-month period beginning July 1 in excess of the quantity specified for such peanuts in the said List II.

3. Articles included in List III shall, when entered, be subject to the fees respectively specified therefor in the said List III.

I hereby determine that the periods specified in the said report of the Tariff Commission for the purpose of the first proviso to section 22 (b) of the Agricultural Adjustment Act, as amended, are representative periods for such purpose.

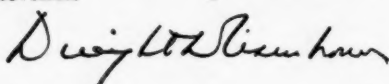
The provisions of this proclamation shall not apply to articles imported by or for the account of any department or agency of the Government of the United States.

As used in this proclamation, the word "entered" means "entered, or withdrawn from warehouse, for consumption".

This proclamation shall be without force and effect if section 104 of the Defense Production Act of 1950, as amended, is extended beyond June 30, 1953.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this eighth day of June in the year of our Lord nineteen hundred and fifty-three, and of the Independence of the United States of America the one hundred and seventy-seventh.



By the President:
JOHN FOSTER DULLES,
Secretary of State.

MSA Makes Additional Grant of \$15 Million to Yugoslavia

The Mutual Security Agency on June 15 announced a special grant of \$15 million to help Yugoslavia build up reserve stores of raw materials and food which were depleted as a result of last year's disastrous drought.

Previously this fiscal year, \$106,750,000 had been allotted to Yugoslavia. This amount included \$31,000,000 as emergency drought aid to finance purchases of such items as corn and wheat to stop an immediate threat of famine in Yugoslavia, as well as some essential raw materials.

The new grant of \$15 million will help restock Yugoslavia's depleted food and raw material larders. This will help avoid another emergency before new harvests are in and raw material supplies are replenished.

The balance of \$75,750,000 was allotted by MSA under the \$99,000,000 tripartite-aid program of the United States, United Kingdom, and France for Yugoslavia. The U.S. share of the tripartite program is \$78,000,000, including \$2,250,000 which was made available to Yugoslavia as an advance from 1952 fiscal year funds.

Appointment of Chairman of U.S. Committee for U.N. Day

Secretary Dulles announced on June 15 (press release 317) the appointment of Thomas J. Watson, Jr., as 1953 chairman of the U.S. Committee for U.N. Day. At the same time, he announced that Mrs. Franklin D. Roosevelt and Warren R. Austin had accepted his invitation to serve as honorary chairmen of the committee.

In a telegram to Mr. Watson, Mr. Dulles declared that the U.N. Day program, spearheaded by the U.S. Committee for U.N. Day, "is important to administration support of the United Nations." In accepting the Secretary's invitation, Mr. Watson said, "I will be delighted to serve as chairman of the U.S. Committee for U.N. Day and will bend every effort to carry out the job in the way you and your associates desire." In a later statement, Mr. Watson said, "I have accepted the appointment to be 1953 chairman of the U.S. Committee for U.N. Day because I believe that the best hope for peace in the world lies in the work of the United Nations."

Warren Austin served as chief of the U.S. delegation to the U.N. until this year. Mrs. Roosevelt was a member of the U.S. delegation to the General Assembly for a number of years.

The U.S. Committee for U.N. Day (formerly called National Citizens' Committee for U.N. Day) was established by the U.S. Government in 1948 in response to a U.N. General Assembly resolution that October 24 be observed annually as U.N. Day. October 24 is the day that the U.N. Charter came into force. Each year the Secretary of State, with the approval of the President, appoints a chairman for the U.S. Committee for U.N. Day which organizes the observance of U.N. Day in this country. The committee is composed of more than 100 national organizations representing civic, business, labor, agriculture, veterans, religion, education, welfare, youth, women, trade, and service associations.

U.S.-U.N. Cooperation in U.N. Postal Activities

by John D. Tomlinson

A postage stamp, small as it is, has a significance far beyond its worth either in cash or as a prepayment for postal service. The postage stamps of all nations frequently symbolize their ideals and traditions, their leaders, or great events in their history. Because of their material and symbolic values, millions of people throughout the world save and collect them as a hobby, for historical study, for personal prestige, or occasionally for investment. But the postage stamps of each nation would have little worldwide interest if they were not universally recognized as valid for mailing purposes to all parts of the world through the chain of national postal establishments which form, under the Universal Postal Union, a single postal territory for the reciprocal exchange of correspondence.

Very early in the development of U.N. headquarters arrangements, the question was raised of the possible establishment of a U.N. postal administration and the issuance of U.N. stamps. The unique position of the United Nations and its impact upon all peoples prompted a considerable amount of interest in this subject on the part of some delegations to the General Assembly. Although the first formal proposal on the matter was made by the Argentine delegation to the second session of the General Assembly in the fall of 1947,¹ the possibility of such a development had been anticipated in the negotiations between the United States and the United Nations in the headquarters agreement. This agreement, which was approved by Congress, August 4, 1947,² provided that:

In the event that the United Nations should propose to organize its own postal service, the conditions under which such service will be set up shall be the subject of a supplemental agreement.

The Argentine proposal envisaged a U.N. postal administration which would issue U.N. stamps

and provide its own postal facilities for official U.N. mail. These facilities would be provided at headquarters and at such other U.N. offices as might be established. One of the motives underlying the Argentine proposal was to apply revenues toward the amortization of the cost of the U.N. headquarters building. The Secretary-General, in a report to the General Assembly,³ suggested the exploration of another type of arrangement under which U.N. postal activities would be restricted to the issuance and use of U.N. stamps for its official mail, leaving all other operations to the national postal administrations concerned, under agreements to be concluded with them. The General Assembly, however, was not prepared to embark on either course without considerably more study of the many problems involved, and accepted the proposal of the Secretary-General that inquiries be made into the administrative, technical, and financial implications of a U.N. postal service and that recommendations thereon be submitted to the next session.⁴

Pursuant to this resolution, U.N. officials sought the advice and assistance of the U.S. Post Office Department with regard to the two principal alternative proposals. After extended examination of each, the Secretary-General, in his report to the third session of the General Assembly in 1948⁵ concluded that in view of the limited financial prospects, complicated technical and administrative operations, and limited usefulness to overseas offices and specialized agencies, "it would appear that there would be no financial advantage in pursuing this project further at the present time."

In the discussions on this report in the Fifth Committee of the General Assembly, it was pointed out that the advantages in terms of publicity likely to result from the issue of special U.N. stamps if a U.N. postal administration were

¹ U.N. doc. A/367 dated Aug. 28, 1947.

² P. L. 357, 80th Cong.

³ U.N. doc. A/C.5/191 dated Oct. 31, 1947.

⁴ G.A. Resolution 159 (II) dated Nov. 20, 1947.

⁵ U.N. doc. A/655 dated Sept. 28, 1948.

created made it desirable for the United Nations to pursue the inquiries and negotiations already initiated. Alternately, it was proposed that further studies and negotiations be pursued concerning the issue of national stamps designed for U.N. purposes.⁶ The resolution adopted by the General Assembly on October 8, 1948, approved in principle the idea of establishing a United Nations Postal Administration, authorized the Secretary-General to conclude arrangements with various governments for the issue of special or overprinted postage stamps, and requested him to pursue the inquiries and negotiations already initiated.⁷

Pursuant to this resolution, the Secretary-General approached the U.S. Government to ascertain whether it would be possible for the United States to issue a commemorative or special U.N. stamp or an overprinted stamp. Extensive consideration was given to this matter by officials of the Post Office Department and the Department of State. After considering various alternatives, they concluded that legislative restrictions and other serious difficulties made it impossible at that time for the United States to issue stamps with a U.N. overprint or a special issue of a distinctive U.N. stamp for exclusive sale at U.N. headquarters.

The Secretary-General continued active study of the problem of establishing an autonomous postal administration. The former Director of the Netherlands Postal Service, W. R. Van Goor, was called in to survey various aspects of it, and further consultations were held with U.S. postal officials. Considerable attention was given to estimating the cost of operations and estimated revenues. Although the experts differed in their estimates, the Secretary-General, in his report to the fourth session of the General Assembly,⁸ estimated that the United Nations might effect a saving of \$21,000 (based on 1948 costs) if it were to operate its own postal service. This estimate did not include any revenues which might be derived from the sale of stamps for philatelic purposes.

The discussion in the General Assembly of this report, which was presented without recommendations, revealed a cleavage between those who wished to proceed immediately with the establishment of an autonomous postal administration and those who felt further study was necessary. Others felt it was a burdensome task for the United Nations to undertake such an operation in view of the excellent services being rendered by the U.S. Post Office Department. Before a final decision was taken, various delegations desired more clarification on such matters as the nature of the necessary agreement with the United States, further study of costs, and the relationship with the Universal Postal Union. The U.S. delegation took a

neutral position, but expressed the willingness of the United States to continue its cooperation with the United Nations in postal matters whatever decision might be taken with regard to the establishment of a U.N. Postal Administration.

A compromise resolution was adopted requesting the Secretary-General "to continue the preparation of necessary arrangements for the establishment of a United Nations postal administration" and to submit a new report at the beginning of the next session.⁹ The term "arrangements" was interpreted as authorizing the Secretary-General not only to continue his study of the matter with the assistance of expert advice and to proceed with essential preparatory work incidental to the organization of a postal service, but also to enter into negotiations with the appropriate U.S. authorities. It was understood that such negotiations and other preparatory arrangements undertaken would be the subject of a full report to the General Assembly for its final approval.¹⁰

Draft U.S.-U.N. Postal Agreement

Following the adoption of this resolution, U.S. officials in the Post Office Department and in the Department of State collaborated fully with U.N. officials in attempting to find a satisfactory solution to give effect to the wishes of the General Assembly. In February 1950 conversations were held at Washington between U.S. and U.N. officials resulting in a first draft of a U.S.-U.N. postal agreement patterned along the lines of the Italian-Vatican City agreement. This draft agreement envisaged the establishment, operation, and maintenance of a U.N. Postal Administration within the headquarters district of the United Nations in New York and included arrangements between the U.N. Postal Administration and the U.S. Post Office Department on various matters including the local transport of mail and the schedule of charges.

The principal problem which emerged for the United Nations in these discussions was with regard to the scope of service to be offered by the U.N. Postal Administration. The United Nations proposed a limited postal service including ordinary letter mail, ordinary printed matter, and parcel post and took the position that the agreement should indicate the limited nature of the service to be offered because of its direct bearing on any postal charges or rates to be worked out between the United Nations and the United States. U.S. representatives, however, took the position that such a matter was not a proper subject for inclusion in the U.S.-U.N. agreement since the U.N. Postal Administration was presumably free to offer whatever services it saw fit. In the course of these discussions it became more and more ap-

⁶ U.N. doc. A/671 Rev. I dated Oct. 7, 1948.

⁷ G.A. Resolution 232 (IV) dated Oct. 8, 1948.

⁸ U.N. doc. A/988 dated Sept. 21, 1949.

⁹ G.A. Resolution 342 (IV) dated Oct. 20, 1949.

¹⁰ Report of the Fifth Committee to the General Assembly, U.N. doc. A/1015 dated Oct. 13, 1949.

parent to U.N. representatives as well as U.S. representatives that there were serious disadvantages in operating a U.N. Postal Administration offering only limited services.

During these discussions reference was made to an agreement between Switzerland and Liechtenstein under which Switzerland handles all Liechtenstein postal operations, and Liechtenstein issues and sells a Liechtenstein stamp which is recognized by the Swiss postal authorities. Liechtenstein retains the proceeds from sales of the Liechtenstein stamps for philatelic purposes.

Further conversations were held in April 1950 to examine the possibilities of an arrangement between the United States and the United Nations along the lines of the Swiss-Liechtenstein agreement. As a result of these conversations, a second tentative draft agreement was drawn up under which a U.N. post office station would be established at U.N. headquarters and operated by the U.S. Post Office Department, using stamps provided by the United Nations. This U.N. station would supply all the services offered by any U.S. post office having comparable operations, except that the U.N. Post Office Station would sell and use only U.N. postage stamps. It was provided that all revenue derived from the sale of U.N. postage stamps by the U.N. Post Office Station would be retained by the U.S. Post Office Department as full and complete compensation for its services. The United Nations would provide the U.S. Post Office Department with quarters, custodial services, and utilities for the operation of the U.N. Post Office Station. The United Nations, on the other hand, would maintain a separate agency for the sale of U.N. postage stamps for philatelic purposes and retain all revenue from such sales.

The advantages of an agreement along the foregoing lines were quite obvious. In the first place, the United Nations would not be involved in any operations other than the handling of philatelic sales. The Post Office Department on the other hand would operate the U.N. Post Office Station in the same manner as it had operated a U.S. branch post office at U.N. headquarters, first at Lake Success and subsequently in the headquarters district in New York. The principal remaining barrier to full agreement was the possibility that U.N. stamps might be purchased from the philatelic agency of the U.N. Postal Administration and used for mailing purposes at the U.N. Post Office Station, thereby involving the handling of mail by the U.S. Post Office Department without reimbursement. With U.N. headquarters in a city such as New York, this possibility appeared quite a serious obstacle to the satisfactory implementation of the proposed agreement. Subsequent conversations were held to iron out this difficulty, and a provision was inserted in the draft agreement that the United Nations should limit its sale of stamps for philatelic purposes only to

those made in response to requests sent by mail. Since it was realized that various difficulties might arise in the application of an arrangement of this nature, provision was included in the agreement permitting its amendment 1 year after its entry into force.

The draft agreement as finally negotiated was submitted by the Secretary-General in his report to the fifth session of the General Assembly in 1950.¹¹ On November 16 the proposed plan was accepted without dissent by the General Assembly,¹² which noted the draft agreement between the United Nations and the United States and requested the Secretary-General to proceed with the conclusion of the agreement and with the necessary arrangements for the establishment of a U.N. Postal Administration at the earliest possible date. In a formal ceremony at U.N. headquarters the agreement was signed March 28, 1951, by Secretary-General Trygve Lie, on behalf of the United Nations, and by Ambassador Warren R. Austin, U.S. representative to the United Nations, and Jesse M. Donaldson, Postmaster General, on behalf of the United States.

Meanwhile, preparations were being made by the United Nations for the design and printing of U.N. postage stamps and postmarks. Under the General Assembly resolution provision had been made for the appointment by the Secretary-General of an Advisory Committee on Stamp Design. With the advice of this committee, it was decided to issue 15 denominations ranging from 1¢ to \$1.

U. N. Stamps Issued

On October 24, 1951, the date of entry into force of the agreement, 6 of the 15 denominations of the regular series were issued—1¢, 1½¢, 3¢, 5¢, 25¢, and \$1. On November 16, 1951, 5 more denominations in the regular series were issued—2¢, 10¢, 15¢, 20¢, and 50¢. On December 14, 1951, four airmail stamps were issued in denominations of 6¢, 10¢, 15¢, and 25¢. Following the announcement of the issuance of U.N. stamps, and particularly during the period October 15 to December 24, 1951, orders and inquiries from the public and from philatelists averaged 1,200 pieces per working day, and during the peak rose to 1,800 pieces per day. During the first 3 days of issue approximately 1,100,000 first-day covers were processed.¹³

During 1952 a 2¢ postcard was issued on July 18, an air-letter sheet on August 29, a U.N. Day commemorative stamp in a 5¢ denomination celebrating the signing, in 1945, of the charter at San Francisco, and on December 10, two stamps in 3¢ and 5¢ denominations commemorating the

¹¹ U.N. doc. A/1934 dated Sept. 26, 1950.

¹² G. A. Resolution 454 (V) dated Nov. 16, 1950.

¹³ See *Report of the Secretary-General to the General Assembly on the United Nations Postal Administration*, U.N. doc. A/2191 dated Sept. 19, 1952.

adoption in 1948 of the Universal Declaration of Human Rights. Eight stamps in five new issues and a stamped envelope in two sizes are being issued in 1953: "Refugee" stamp, 3¢ and 5¢ denominations, April 24; "Universal Postal Union" stamp, 3¢ and 5¢ denominations, June 12; embossed envelope, 3¢ denomination, in two sizes, in September; "United Nations Day" stamp, 3¢ and

U.S. Postal Authorities Thanked for Cooperation With United Nations

On the occasion of the issuance on June 12 of U.N. stamps commemorating the Universal Postal Union (UPU), the Director of the U.N. Information Center in Washington, Paul V. Johansen, presented to Postmaster General Arthur E. Summerfield the first issues of these stamps. In making the presentation, Mr. Johansen paid tribute to the cooperation of the U.S. Post Office Department in the following terms:

In behalf of the Secretary-General of the United Nations I have great pleasure in presenting to you the first issues of a stamp, produced by the United Nations Postal Administration in honor of the Universal Postal Union—established in 1874 and in membership the largest of the specialized agencies of the United Nations.

In making this presentation I am asked to convey to you our very best thanks for your cooperation in concluding a postal agreement with the United Nations and also for your kindness in facilitating our philatelic operations.

5¢ denominations, October 24; "Human Rights Day" stamp, 3¢ and 5¢ denominations, December 10.

As an indication of the interest in the purchase of stamps for philatelic purposes, by April 30, 1953, the United Nations had received gross revenues from such sales totaling \$1,031,031. Total expenses to the United Nations in this activity from January 1, 1951, when the U.N. Postal Administration was established by the Secretary-General, through April 30, 1953, amounted to \$320,023, resulting in a net revenue of \$711,008 to the United Nations for that period. These revenues are counted as miscellaneous receipts in the U.N. budget and, as such, help reduce the contributions of member governments to the United Nations.

During the first year of operations several problems arose in connection with the interpretation and application of the U.S.-U.N. Postal Agreement. One of these related to bulk mailings from the U.N. Post Office Station. A number of requests were made for bulk commercial mailings using the U.N. stamp. In view of difficulties in connection with facilities for handling such mailings, as well as the policy questions involved, it was agreed that for the time being bulk mailings of over 1,000 pieces would not be accepted.

Stamp Sales to Public

Another question was that of public access to the U.N. Post Office Station, which was located in a restricted area of the headquarters building. Consequently the general public did not have the same opportunity to purchase stamps or post mail matter at the U.N. Post Office Station as at a U.S. Post Office. It was impractical for the United Nations to make more satisfactory arrangements for the public before the completion of the General Assembly building. On the other hand, both the United Nations and the United States wished to serve the general public at U.N. Headquarters and to find a means for allocating proceeds from the sale of stamps as between the U.N. and the U.S. Post Office Department. The U.N. Post Office Station sold U.N. stamps without regard to purpose, and the revenues from all such sales were retained by the U.S. Post Office Department under the terms of the agreement. But its only customers, except on days when stamps were issued, were U.N. officials and others on official business who had ready access to the building. The United Nations under the agreement could not sell stamps to visitors.

In anticipation of the completion of the General Assembly building and the provision of a reception area for the general public, further conversations on these interrelated problems were held in September 1952 between U.N. and U.S. officials. Agreement was reached on a plan under which the U.N. Postal Administration would sell stamps in the public reception center in the new General Assembly building for both philatelic and mailing purposes. Mail matter bearing U.N. postage deposited in the reception center was to be forwarded to the U.N. Post Office Station in another part of the building, with the United Nations reimbursing the U.S. Post Office Department for the face value of postage on all mail matter so forwarded.

In order to effect this arrangement it was necessary to modify the agreement of 1951 by deleting the clause which restricted the sale of U.N. stamps for philatelic purposes to orders received by mail. Subsequently the United States officially notified the Secretary-General that it was prepared to modify the agreement by deleting this clause, and the Secretary-General so recommended to the seventh session of the General Assembly. The General Assembly in its resolution of November 6, 1952, authorized the Secretary-General to "conclude the instrument necessary to revise the postal agreement with the United States of America" by deleting the words in par. (ii) of section 3 reading, "in response to orders received by mail." In an exchange of notes between the Secretary-General and Ambassador Ernest A. Gross of November 7, 1952, and November 17, 1952, respectively, the formal amendment of the agreement was completed. This amendment became effective on

November 17, 1952. (For text of the agreement, incorporating the amendment, see Annex.)

During the first few months after the opening of the new General Assembly building in September 1952, an average of 4 to 5 thousand visitors a week were received at the reception center in that building. When U.N. stamps were placed on sale and mailing facilities provided in that area, following the entry into force of the amended agreement, total stamp sales averaged \$3,300 a week. About 85 percent of these stamps were for philatelic purposes; the remainder were used for mail matter for which the Post Office Department was reimbursed.

Although U.N. stamps have been widely publicized, as manifested by the volume of philatelic sales, the arrangements between the United Nations and the United States have not been too well understood. Many have the mistaken impression that the U.S. Post Office Department is footing the bill for handling U.N. mail. Actually the U.S. Post Office Department is fully reimbursed at current U.S. postage rates for all mail matter, official and unofficial, deposited at the U.N. Post Office Station, which is the only station where U.N. stamps may be used for mailing. If any article of mail matter bearing a U.N. stamp were deposited in a U.S. Post Office or mail box it would be considered as unpaid and would be handled accordingly under U.S. Postal Regulations; that is, it would be returned to the sender or sent to the Dead Letter Office.

U.S. postal officials consider the operation of the U.N. Post Office Station quite satisfactory from the standpoint of the Post Office Department, although working out mutually agreeable arrangements in this unique situation has involved a few headaches. It is generally considered that the cost of operations of this station and the revenues received compare favorably with those of U.S. Post Offices offering similar services.

The Universal Postal Congress which opened at Brussels in May 1952 adopted a resolution recognizing, from a postal point of view, the establishment of the U.N. Postal Administration in accordance with the U.N. General Assembly resolution of November 16, 1950, and the Postal Agreement between the United States and the United Nations. As a result of this action, U.N. stamps have been given worldwide recognition by the postal administrations of 93 countries members of the Universal Postal Union.

As the largest contributor to the United Nations (35.12 percent for 1953), the United States benefits more than any other member of the United Nations from this arrangement, inasmuch as the revenue derived from U.N. philatelic sales reduces the amount of its contributions to the annual expenses of the United Nations.

The interests of the United Nations under the arrangement have been well served. U.N. stamps have helped to broaden public acquaintance with

and interest in the United Nations as an institution as well as to provide the United Nations with its own distinctive stamp for its official mail. These benefits, in addition to the substantial proceeds from philatelic sales, have been realized without involving the United Nations in the complexities of international postal operations.

ANNEX

POSTAL AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED NATIONS AS AMENDED NOVEMBER 17, 1952

WHEREAS, a certain Agreement between the United States of America and the United Nations, dated the 26th day of June, 1947, regarding the Headquarters of the United Nations (said Agreement being hereinafter referred to as the "Headquarters Agreement") provides that in the event that the United Nations should propose to organize its own postal service, the conditions under which such service shall be set up shall be the subject of a Supplemental Agreement; and

WHEREAS, the United Nations desires to establish a postal service in conformity with the Headquarters Agreement,

NOW THEREFORE, the Parties hereto agree as follows:

Section 1

Scope of Agreement

(i) Subject to the provisions of this Agreement, there shall be established a United Nations Post Office Station in the Headquarters District of the United Nations, as defined in the Headquarters Agreement, which shall be operated by the United States Post Office Department.

(ii) The United Nations Post Office Station shall provide at the prevailing rates all the services offered by any United States Post Office having comparable operations except that the United Nations Post Office Station shall use only United Nations postage stamps.

Section 2

Supply of United Nations Postage Stamps and Stamped Paper

(i) The United Nations shall at its own expense furnish all United Nations postage stamps required under the terms of this Agreement.

(ii) In the event that the United Nations shall produce or authorize production of stamped envelopes and post-cards, such envelopes or post-cards shall conform to the specifications of the United States Post Office Department as to size and as to quality of paper used.

(iii) No United Nations postage stamps shall be distributed except in accordance with the terms of this Agreement.

Section 3

Sale of United Nations Postage Stamps

(i) The United Nations Post Office Station shall sell only United Nations postage stamps which shall be provided by the United Nations free of charge in such quantities as may be necessary to fulfill all reasonable needs of the United Nations Post Office Station. All revenue derived from such sales of United Nations postage stamps and from other services rendered by the United Nations Post Office Station shall be retained by the United States Post Office Department as full and complete compensation for performance of its obligations under the terms of this Agreement, except, however, that the United States Post Office Department shall be reimbursed for performance of any postal services resulting from use of United Nations postage stamps sold for philatelic

purposes under the provisions of paragraph (ii) of this section which are used as postage on mail matter posted at the United Nations Post Office Station by being paid an amount equal to the face value of any such stamps so used as postage.

(ii) The United Nations may maintain a separate agency for the sale of United Nations postage stamps for philatelic purposes. Subject to the provisions of paragraph (i) of this section all revenue derived from such philatelic sales of United Nations postage stamps shall be retained by the United Nations for its own use.

Section 4

United Nations Postmarks

The United Nations shall furnish all postmarking stamps to be applied to mail posted for mailing in the Headquarters District and shall furnish all such postmarking stamps to the United Nations Post Office Station free of charge. All postmarks shall be designated as United Nations postmarks.

Section 5

United Nations Post Office Station Premises

The United Nations shall provide the United States Post Office Department at the expense of the United Nations with the quarters, custodial services and utilities necessary to enable the United States Post Office Department to operate the United Nations Post Office Station in the Headquarters District.

Section 6

Staff and Equipment

Except as otherwise provided in this Agreement the United States Post Office Department will provide at its own expense all staff, equipment and other services and facilities necessary to enable the United States Post Office Department to operate the United Nations Post Office Station under the terms of this Agreement.

Section 7

Postal Address of the United Nations

The postal address of the Headquarters District of the United Nations shall be "United Nations, New York".

Section 8

Duration of the Agreement

(i) This Agreement shall take effect on a date to be agreed upon between the United Nations and the United States Post Office Department.

(ii) This Agreement shall be subject to revision, on the written proposal of either contracting party, after one year from the date of commencement of operations.

(iii) This Agreement may be terminated by either party giving the other written notice of its intention to terminate such Agreement at least twelve (12) months in advance of the termination date fixed in such notice.

IN WITNESS WHEREOF the respective representatives have signed this Agreement and have affixed their seals hereto.

DONE in duplicate this twenty-eighth day of March 1951.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

WARREN R. AUSTIN (Seal)

JESSE M. DONALDSON (Seal)

FOR THE UNITED NATIONS:

TRYGVE LIE

• *Mr. Tomlinson, author of the above article, is an adviser in the Office of U.N. Economic and Social Affairs.*

U.S. Delegations to International Conferences

Council of Food and Agriculture Organization

The Department of State on June 16 announced (press release 320) that the Council of the Food and Agriculture Organization of the United Nations (FAO) had convened for its seventeenth session at Rome on June 15.

President Eisenhower appointed Knowles A. Ryerson, dean of the College of Agriculture, University of California, Berkeley, Calif., as U.S. member on the Council for this session. John W. Evans, director of the Office of International Materials Policy, Department of State, and Robert B. Schwenger, chief of the Regional Investigations Branch, Foreign Agricultural Service, Department of Agriculture, have been designated associate U.S. members for this session.

Other members of the U.S. delegation are:

Advisers

Ursula H. Duffus, Office of U.N. Economic and Social Affairs, Department of State

L. Wendell Hayes, Attaché for FAO Liaison, American Embassy, Rome

Robert C. Tetro, Agricultural Attaché, American Embassy, Rome

Adviser and Secretary

Thomas E. Street, Foreign Agricultural Service, Department of Agriculture

The Council, which is the executive body of the FAO, will be primarily concerned at its forthcoming session with preparations for the seventh session of the Conference of the FAO. Among the items to be considered in this connection are (1) the preparation of a provisional agenda for the Conference; (2) the program of work and budgets for the Organization for 1954 and 1955; and (3) reports on the establishment of an emergency famine reserve, methods of financing agricultural development, and the relationship of the FAO with organized representation of producer and consumer interests. The Council will also consider reports on the work of the Organization and administrative and financial questions.

THE DEPARTMENT

Locally Produced Broadcasts in Latin America

Press release 315 dated June 12

Reports from our Embassies in Latin America indicate that much of the local-broadcasting time previously occupied by the relay of the Voice of America's shortwave programs is now being used by public affairs officers of the International Information Administration (IIA) for locally produced shows.

Some 212 broadcasting stations located in 13 Latin American countries gave a total of about 1,028 free hours every 3 months to the local rebroadcast of VOA programs transmitted shortwave from the United States. When economy measures caused IIA's Voice of America to stop beaming Spanish and Portuguese language broadcasts south of the border on May 23, public affairs officers in Mexico City, Panamá, San Salvador, Habana, and nine South American countries were asked to "hold that relay time."

Reports to date show that the speedy offer of interesting, locally produced programs has held much of this

very desirable free air time for U.S. information programs and indicate that Usis missions probably will have the opportunity of broadcasting more than 4,000 additional hours this coming year.

These additional broadcasts can be handled, for the most part, with existing staff and funds. Material for the locally produced shows is drawn from several sources including news and commentary from the Wireless File received daily from IIA's International Press Service in Washington, features and dramatizations adapted from U.S. newspapers, books, and magazines, as well as tape and disc recordings prepared by the IIA's International Broadcasting Service in New York.

The production of local radio programs designed to develop greater understanding between Latin America and the United States has been a regular part of the IIA's program for some time. The local Usis employees and other Latin American talent used on these broadcasts have helped the shows to achieve wide popularity. During the past year, 42 such programs have been broadcast regularly by 14 Usis field posts in Latin America. Almost 500 radio stations gave these locally produced programs free time totaling over 4,500 hours during a 3-months' period.

In addition to the radio programs and occasional television shows produced by Usis missions, Latin America receives the Voice of America's 30-minute worldwide program, broadcast shortwave in English.

Mr. McIlvaine To Be Special Assistant to Assistant Secretary McCardle

The Department of State announced on June 19 (press release 330) that on that day Robinson McIlvaine was sworn in as Special Assistant to the Assistant Secretary for Public Affairs, Carl W. McCardle. The oath was administered by Chief of Protocol, John F. Simmons.

Mr. McIlvaine will deal primarily with the domestic public affairs and information program of the Department. With the reorganization of the Department, this phase of its activities is being given increased attention in view of the desire of Secretary Dulles to provide the American people with a fuller picture of our foreign policy. In this capacity Mr. McIlvaine will assume, in addition to his other duties, those of the Director of the Office of Public Affairs. This position has been abolished by Mr. McCardle.

THE FOREIGN SERVICE

Diplomatic Relations Resumed With Colombia

Press release 326 dated June 18

The Ambassador of the United States at Bogotá, Capus M. Waynick, has been instructed to resume diplomatic relations with Colombia on June 18.

This action is being taken in conformity with the desire of the United States to carry on normal diplomatic relations with the Colombian Government, and in accordance with our information that the new Government in that country has established effective control over Colombian territory and has given assurances of its intention to fulfill the international obligations of Colombia.

June 29, 1953

Confirmations

On June 11 the Senate confirmed the nomination of John C. Hughes as U.S. permanent representative on the North Atlantic Council with the rank and status of Ambassador.

The Senate on June 15 confirmed Amos J. Peaslee as Ambassador to Australia.

Theodore C. Streibert To Be Consultant to Mr. Conant

Press release 323 dated June 17

At the request of James B. Conant, U.S. High Commissioner for Germany, Theodore C. Streibert of New York City will go to Germany for several months as consultant on the public affairs program. His chief function will be to assist Mr. Conant and his staff in the recently announced reorganization.

Formerly president of radio station WOR, New York, and chairman of the board of the Mutual Broadcasting System, Mr. Streibert has been serving as consultant to Robert L. Johnson, Administrator of IIA, who has approved the new assignment in Germany. After working on special projects for Mr. Johnson, Mr. Streibert recently returned from abroad where he made a field study of radio programming centers and organizational problems under a separate information agency.

THE CONGRESS

President Urges U.S. Loan To Coal and Steel Community

White House press release dated June 17

On June 17, President Eisenhower made public the following exchange of letters with Sen. Alexander Wiley, chairman, Committee on Foreign Relations, U.S. Senate, and Robert B. Chipperfield, chairman, Committee on Foreign Affairs, House of Representatives:

Text of the President's Letter

JUNE 15, 1953

MY DEAR SENATOR WILEY: (MY DEAR MR. CHIPPERFIELD): While in Europe, I watched with keen interest the efforts to work out the first steps toward European federation. My experience there convinced me that the uniting of Europe is a necessity for the peace and prosperity of Europeans and of the world.

The recent visit to Washington by the members of the High Authority of the European Coal and Steel Community has given me the opportunity to review with them the work and plans of the Community.¹ This Community seems to me to be the most hopeful and constructive development so far toward the economic and political integration of

¹ For text of a White House statement issued on June 3 during this visit, and for an article on the Coal and Steel Community, see BULLETIN of June 8, 1953, p. 800, p. 799.

Europe. As such, this European initiative meets the often expressed hopes of the Congress of the United States.

M. Monnet, President of the High Authority, has described the general program of the Community for the development of its coal and steel resources which will require extensive investment for increasing production and improving productivity. The new Community does not wish to obtain grants for these purposes, but requires loan capital. The proceeds from the taxes now being levied and collected by the Community would appear to provide security for substantial borrowing.

In due time the Community will probably seek loans for these purposes from United States and European sources public and private. It appears to me that a portion of the financing of this development program by the United States Government or one of its agencies, out of moneys available for such purposes and under conditions insuring proper use and ultimate repayment, would foster European integration in a tangible and useful way.

Today the Common Assembly of the Community convenes to receive the first Annual Report from the High Authority regarding the activities of the Community. Your Committee might consider this an appropriate occasion to express its approval of the progress to date and its keen interest in the success of this and future steps toward European integration.

Sincerely yours,

DWIGHT D. EISENHOWER

Senator Wiley's Reply

JUNE 16, 1953

DEAR MR. PRESIDENT: Thank you for your letter of June 15, 1953, regarding the recent visit to the United States of M. Monnet, President of the High Authority of the European Coal and Steel Community. You point out that the creation of this Community is one of the most hopeful and constructive developments so far toward the economic and political integration of Europe. I have noted also that the Common Assembly of the Community convened yesterday to receive the first Annual Report from the High Authority regarding the activities of the Community.

As you know, M. Monnet and his colleagues had two informal sessions with members of the Committee on Foreign Relations while they were in the United States. We discussed the operations of the High Authority and were much impressed by the vision of these men and at the same time their realistic approach to the problem of the integration of Europe.

As you stated in your letter, European initiative in creating the Community meets the often expressed hopes of the Congress. It was in 1949 that the Economic Cooperation Act was amended

to state that it was the policy of the "people of the United States to encourage the unification of Europe" In 1950, the Act was again amended to emphasize the policy of the United States "to encourage the further unification of Europe"

The members of the Foreign Relations Committee have asked that you convey to the Community our best wishes for its success.

It is my deep hope that the European Coal and Steel Community will be able to weld together the European economy so that the combined strength of free Europe will enable that continent to maintain its freedom and develop its resources to the fullest in order that the people of Europe may prosper.

Sincerely yours,

ALEXANDER WILEY

Representative Chipfield's Reply

JUNE 16, 1953

MY DEAR MR. PRESIDENT: Your letter of June 15, 1953, referring to the European Coal and Steel Community, was read to the Committee on Foreign Affairs. The Committee was greatly interested in the information it contained.

The Committee and its members have followed the progress of the Community with great interest, and a number of its members have been encouraged by their meetings with the president, M. Monnet, and other members of the High Authority. The Committee had contemplated reference to the real progress of this most significant step toward European integration in the legislation now pending before it. In view of the convening of the Common Assembly of the Community on June 15th, and in view of the fact that the Community is not an applicant for funds authorized in the pending legislation, the Committee adopted the enclosed resolution which I have the honor to transmit to you. It is our hope that you will see fit to transmit it with the personal good wishes and congratulations of the Committee to the Community and its High Authority.

We hope that this is a symbol of prompt action on the part of the European Defense Community and the European Political Community because we believe that the nations of Europe must pull together to achieve not only military integration but political federation.

Respectfully,

ROBERT B. CHIPERFIELD

[Enclosure]

JUNE 11, 1953

RESOLUTION

WHEREAS the Committee on Foreign Affairs of the House of Representatives has followed the development and progress of the European Coal and Steel Community from its inception with great interest, through hearings,

reports and unofficial discussions with its officials; and WHEREAS this is the most significant step toward European integration to date; and

WHEREAS the Congress has repeatedly expressed its belief in the paramount importance of such integration, having stated in the Mutual Security Act of 1952 "The Congress welcomes the recent progress in political federation, military integration, and economic unification in Europe and reaffirms its belief in the necessity of further vigorous efforts toward these ends as a means of building strength, establishing security, and preserving peace in the North Atlantic area;" and

WHEREAS the Committee has learned that the first annual report from the High Authority will be made to the Common Assembly of the Community on June 15th;

NOW THEREFORE BE IT RESOLVED

1. The Committee congratulates the Community and its High Authority under the leadership of its president, M. Monnet, upon the substantial progress already made, not only because of the tangible benefits that are already apparent, but because of the significance of the Community in the building of a united Europe.

2. The Committee notes with satisfaction that the Community is in a position to seek capital loans for improving productivity on a sound credit basis. Subject to proper qualification, it is the hope of the Committee that the Community may be able to obtain a portion of such loans from United States sources.

3. The Committee, reiterating the view repeatedly and officially stated by the Congress of the importance of European unity to Europe and to the free world, expresses its hope that the European Defense Community and the European Political Community which constitute the necessary further steps, of which the Coal and Steel Community is the first, may be speedily developed, ratified and put into force.

President Rejects Increased Duty on Screen-Printed Silk Scarves

White House press release dated June 10

The President on June 10 sent identical letters to Eugene D. Millikin, Chairman, Committee on Finance, U.S. Senate, and Daniel A. Reed, Chairman, Committee on Ways and Means, House of Representatives. A similar letter was sent on the same date to Edgar B. Brassard, Chairman of the U.S. Tariff Commission. Text of the President's letter to Chairmen Millikin and Reed follows:

I have carefully reviewed the report of the Tariff Commission of April 13, 1953, made under Section 7 of the Trade Agreements Extension Act of 1951, on screen-printed silk scarves, in which the Commission reported that screen-printed silk scarves provided for in paragraph 1210 of the Tariff Act of 1930 and included in item 1210 of Part I of the Torquay Schedule XX of the General Agreement on Tariffs and Trade are being imported into the United States in such increased quantities, both actual and relative, as to cause serious injury to the domestic industry producing like or directly competitive products, and as to threaten continuance of such injury.

The Commission recommended the application, for an indefinite period, of an increase in the rate of duty from 32½ per centum to 65 per centum *ad valorem* on imported screen-printed silk

scarves to prevent the continuance of such serious injury to such domestic industry.

Because of international conditions which demand our most earnest efforts to maintain friendly cooperation with other countries of the free world, I feel keenly the necessity of acting on these escape-clause cases with great care and I feel that I should act only after all the facts involved have been clearly established and well authenticated. And in considering such cases, they must be carefully reviewed together with all the possible international implications of such action.

One of the central points in the case under consideration is: What is the industry for which serious injury is claimed? The Commission itself apparently had to resolve this question somewhat arbitrarily. It appears that there are United States entrepreneurs who buy the raw silk in Japan, pay there for the labor at piece rates for printing and finishing which is all done under their supervision and continued ownership. They then export the finished products to the United States and merchandise them here. Such American entrepreneurs claim to be the domestic industry. There are other firms who do the piece-rate work on the raw material by screen-printing and finishing the silk into scarves in this country, but who never own or control the scarves, nor have any direction of the industry, except as it pertains to the piece-rate jobs they are hired to do and which they do in their shops in this country.

To complicate matters further, most of these latter firms were not engaged in the processing of scarves alone but rather in providing certain services in the manufacture of scarves and of other products as well. Moreover, these firms are only a fraction of all the domestic firms which offer the same or similar services.

It is also questionable whether the effective increase of some 9 or 10 cents in the tariff on lower-priced scarves would not simply increase the cost to the consumer without actual benefit to the segment of the apparel industry producing the lower-priced competitive article. It is not convincingly shown that the higher-priced scarves, costing in excess of \$4.50 per dozen abroad, should be subjected to a doubling of our tariff. The problem is, of course, inextricably bound up with the vagaries of style considerations affecting the apparel industry, with its attendant competitive conditions and speculative risks, and in many cases to the handling or processing of items other than scarves in the several processing steps.

Another aspect which bears on the case, and concerning which I feel further information is required, relates to the returns from other products which the industry, as it may be defined by the Commission, may be enjoying. Question has also been raised as to whether the imported silk scarves do not, because of the great disparity in quality and price, reach an additional market beyond that tapped by domestic silk scarves. If this is true,

it would have an important bearing on whether escape-clause action could help in any significant way in relieving the difficulties of the domestic firms which have applied to the Commission.

Because of these questions and doubts, I am returning the report to the Commission with the request that it make a further careful examination of this case in the light of the more recent and current facts and conditions in the industry producing silk scarves and report its findings to me.

As you know, I have recommended to the Congress that a Commission be set up to study our over-all foreign economic policy, including our tariff structure and trade program. Until such a study is concluded and our future international trade policy is determined, I am reluctant to modify the concessions granted in our trade agreements unless the evidence clearly demonstrates that such modifications are necessary.

I am sending this report to you in compliance with the provision of section 7 (c) of the Trade Agreements Extension Act of 1951, which provides that should the President not take the action recommended by the Tariff Commission within sixty days, he shall submit a report to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate, stating why he has not made such adjustment or modification, or imposed such quotas.

Sincerely,

DWIGHT D. EISENHOWER

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Vocational and Industrial Education, Extension of Cooperative Program in Brazil. Treaties and Other International Acts Series 2475. Pub. 4913. 5 pp. 5¢.

Exchange of notes between the United States and Brazil—Signed at Rio de Janeiro Oct. 14, 1950.

Economic Cooperation, Guaranties under Public Law 472, 80th Congress, As Amended. Treaties and Other International Acts Series 2517. Pub. 4749. 4 pp. 5¢.

Exchange of notes between the United States and the Philippines—Signed at Washington Feb. 18 and 19, 1952.

Safety of Life at Sea. Treaties and Other International Acts Series 2495. Pub. 4728. 241 pp. 55¢.

Convention, with regulations, between the United States and Other Governments—Signed at London June 10, 1948.

Education, Cooperative Program in Nicaragua, Addi-

tional Financial Contributions. Treaties and Other International Acts Series 2530. Pub. 4739. 5 pp. 5¢.

Exchange of notes between the United States and Nicaragua—Signed at Managua Mar. 27 and Apr. 25, 1952.

General Agreement on Tariffs and Trade, First Protocol of Supplementary Concessions. Treaties and Other International Acts Series 2532. Pub. 4769. 11 pp. 10¢.

Agreement between the United States and Other Governments—Dated at Geneva Oct. 27, 1951.

Health and Sanitation, Cooperative Program in Haiti, Additional Financial Contributions, Supplementing Agreement of Sept. 18 and 27, 1950. Treaties and Other International Acts Series 2536. Pub. 4780. 4 pp. 5¢.

Exchange of notes between the United States and Haiti—Signed at Port-au-Prince Oct. 17, 1951 and Mar. 31, 1952.

Education, Cooperative Program in Ecuador, Additional Financial Contributions. Treaties and Other International Acts Series 2539. Pub. 4790. 5 pp. 5¢.

Exchange of notes between the United States and Ecuador—Signed at Quito Mar. 18 and 31, 1952.

Health and Sanitation, Cooperative Program in Uruguay, Additional Financial Contributions. Treaties and Other International Acts Series 2540. Pub. 4791. 4 pp. 5¢.

Exchange of notes between the United States and Uruguay—Signed at Montevideo Jan. 16 and Mar. 26, 1952.

Education, Cooperative Program in Paraguay, Additional Financial Contributions. Treaties and Other International Acts Series 2541. Pub. 4796. 6 pp. 5¢.

Exchange of notes between the United States and Paraguay—Signed at Asunción Jan. 31 and Mar. 25, 1952.

Health and Sanitation, Cooperative Program in Ecuador, Additional Financial Contributions. Treaties and Other International Acts Series 2542. Pub. 4797. 5 pp. 5¢.

Exchange of notes between the United States and Ecuador—signed at Quito Mar. 18 and 31, 1952.

Agriculture, Cooperative Program in Paraguay, Additional Financial Contributions. Treaties and Other International Acts Series 2543. Pub. 4799. 6 pp. 5¢.

Exchange of notes between the United States and Paraguay—Signed at Asunción Jan. 31 and Mar. 31, 1952.

Education, Cooperative Program in the Dominican Republic, Additional Financial Contributions. Treaties and Other International Acts Series 2544. 4 pp. 5¢.

Exchange of notes between the United States and the Dominican Republic—Signed at Ciudad Trujillo Feb. 12 and Apr. 4, 1952.

Customs Concessions on Automobiles, Provisional Agreement. Treaties and Other International Acts Series 2545. Pub. 4801. 2 pp. 5¢.

Exchange of notes between the United States and Chile—Signed at Santiago Apr. 8, 1952.

Health and Sanitation, Cooperative Program in Haiti, Additional Financial Contributions. Treaties and Other International Acts Series 2547. Pub. 4804. 4 pp. 5¢.

Exchange of notes between the United States and Haiti—Signed at Port-au-Prince Mar. 3 and Apr. 9, 1952.

Telecommunications, Registration of Frequencies Used in Greenland by United States Authorities. Treaties and Other International Acts Series 2548. Pub. 4805. 3 pp. 5¢.

Exchange of notes between the United States and Den-

mark—Dated at Washington Mar. 25 and Apr. 4, 1952.

Air Transport Services, Amending Agreement of Mar. 31, 1949. Treaties and Other International Acts Series 2551. Pub. 4773. 3 pp. 5¢.

Exchange of notes between the United States and Panama—Signed at Washington May 29 and June 3, 1952.

Health and Sanitation, Cooperative Program in Brazil, Additional Financial Contributions. Treaties and Other International Acts Series 2552. Pub. 4808. 5 pp. 5¢.

Exchange of notes between the United States and Brazil—Signed at Rio de Janeiro Feb. 28 and Apr. 18, 1952.

Relief From Taxation on Defense Expenditures. Treaties and Other International Acts Series 2556. Pub. 4812. 12 pp. 10¢.

Exchange of notes between the United States and France—Signed at Paris Mar. 13, 1952.

Agriculture, Cooperative Program in Haiti, Additional Financial Contributions. Treaties and Other International Acts Series 2558. Pub. 4818. 5 pp. 5¢.

Exchange of notes between the United States and Haiti—Signed at Port-au-Prince Jan. 29 and Apr. 9, 1952.

Relief from Taxation on Defense Expenditures. Treaties and Other International Acts Series 2559. Pub. 4821. 4 pp. 5¢.

Exchange of notes between the United States and the United Kingdom—Signed at London Mar. 17 and 18, 1952.

Mutual Defense Assistance. Treaties and Other International Acts Series 2560. Pub. 4833. 12 pp. 10¢.

Agreement between the United States and Ecuador—Signed at Quito Feb. 20, 1952.

Reciprocal Trade, Supplementing Agreement of November 6, 1939. Treaties and Other International Acts Series 2565. Pub. 4753. 39 pp. 15¢.

Agreement between the United States and Venezuela—Signed at Caracas Aug. 28, 1952; exchange of notes signed Aug. 28, 1952.

Economic Cooperation, Guaranties under Public Law 472, 80th Congress, As Amended. Treaties and Other International Acts Series 2567. Pub. 4839. 4 pp. 5¢.

Exchange of notes between the United States and Norway—Signed at Washington Mar. 28 and Apr. 1, 1952.

Economic Cooperation, Guaranties under Public Law 472, 80th Congress, As Amended. Treaties and Other International Acts Series 2568. Pub. 4840. 4 pp. 5¢.

Exchange of notes between the United States and Greece—Signed at Washington Apr. 21 and 23, 1952.

Technical Cooperation, Joint Fund Program. Treaties and Other International Acts Series 2570. Pub. 4842. 8 pp. 10¢.

Agreement between the United States and Israel—Signed at Tel Aviv May 9, 1952.

Emergency Economic Assistance. Treaties and Other International Acts Series 2571. Pub. 4849. 5 pp. 5¢.

Exchange of notes between the United States and Israel—Dated at Washington May 1, 1952.

Leased Bases in Newfoundland, Modifying Agreement of Mar. 27, 1941. Treaties and Other International Acts Series 2572. Pub. 4850. 5 pp. 5¢.

Exchange of notes between the United States and the United Kingdom—Signed at Washington Feb. 13 and Mar. 19, 1952.

Consular Officers, Exemption from Customs Duties and Related Taxes. Treaties and Other International Acts Series 2577. Pub. 4863. 4 pp. 5¢.

Exchange of notes between the United States and Chile—Signed at Washington Mar. 12, Apr. 16, and May 12, 1952.

Technical Cooperation, Education Program. Treaties and Other International Acts Series 2583. Pub. 4880. 3 pp. 5¢.

Exchange of notes between the United States and Libya—Dated at Tripoli Apr. 30 and May 20, 1952.

Technical Cooperation, Assurances under Mutual Security Act of 1951. Treaties and Other International Acts Series 2624. Pub. 4847. 4 pp. 5¢.

Exchange of notes between the United States and Afghanistan—Dated at Kabul Jan. 2 and 24, 1952.

United States Educational Commission in Sweden. Treaties and Other International Acts Series 2653. Pub. 4925. 11 pp. 10¢.

Agreement between the United States and Sweden—Signed at Stockholm Nov. 20, 1952.

Mexican Agricultural Workers, Amending and Extending Agreement of Aug. 11, 1951. Treaties and Other International Acts Series 2531. Pub. 4921. 6 pp. 5¢.

Exchange of notes between the United States and Mexico—Signed at México Jan. 10 and 31, Feb. 8, Mar. 31, and Apr. 9, 1952.

Fourth Meeting of Consultation of Ministers of Foreign Affairs of American States. International Organization and Conference Series II, American Republics 10. Pub. 4928. 88 pp. 25¢.

A brief summary of the activities of the Fourth Meeting, held at Washington Mar. 26 to Apr. 7, 1951.

Check List of Department of State Press Releases: June 15-19, 1953

Releases may be obtained from the Office of the Special Assistant for Press Relations, Department of State, Washington 25, D.C.

Press releases issued prior to June 15 which appear in this issue of the BULLETIN are Nos. 310 of June 9, 312 of June 11 and 315 of June 12.

No.	Date	Subject
317	6/15	Chairman for U.N. Day
318	6/15	Korean political conference
319	6/15	Dulles: Soviet European moves
320	6/16	17th session of FAO
321	6/16	Dulles: Morals and power
*322	6/16	16th session of Ecosoc
323	6/17	Streibert: Consultant to Mr. Conant
*324	6/17	Noone: Consultant to Mr. Johnson
*325	6/17	Cowdin: Head of IMPS
326	6/18	Colombia: Political relations resumed
†327	6/18	Draper: Conditions in Europe
328	6/19	Joint message on East Berlin
329	6/19	U.S. military mission to Indochina
330	6/19	Appointment of McIlvaine

*Not printed.

†Held for a later issue of the BULLETIN.

Africa	
LIBERIA: Withdraws from GATT	917
Agriculture	
Council of Fao	926
American Principles	
Achieving a healthy world economy (Aldrich)	915
Morals and power (Dulles)	895
Some aspects of American foreign policy (Merchant)	909
American Republics	
COLOMBIA: Diplomatic relations resumed with Colombia	927
Locally produced broadcasts in Latin America	926
Arms and Armed Forces	
Morals and power (Dulles)	895
Second anniversary of SHAPE as an operational headquarters (Ridgway report)	899
U.S. military mission to visit Indochina	909
Asia	
CHINA: U.S. restricts fueling of ships bound for Communist China	904
INDOCHINA: U.S. military mission to visit	909
KOREA:	
Political conference on Korea (Dulles)	908
Release of anti-Communist prisoners from U.N. camps in South Korea	905
Commerce	
U.S. restricts fueling of ships bound for Communist China	904
Congress	
Current legislation on foreign policy	898
President rejects increased duty on screen-printed silk scarves	929
President urges U.S. loan to Coal and Steel Community	927
Europe	
GERMANY:	
\$50 million aid for Berlin (Eisenhower)	898
Repressive Soviet measures taken in East Berlin (text of joint resolution)	897
President urges U.S. loan to Coal and Steel Community	927
Second anniversary of SHAPE as an operational headquarters (Ridgway report)	899
Some aspects of American foreign policy (Merchant)	909
SPAIN: Building closer U.S.-Spanish relations (Dunn)	913
U.S.S.R.: Repressive Soviet measures taken in East Berlin (text of joint resolution)	897
YUGOSLAVIA: MSA makes additional grant of \$15 million to Yugoslavia	920
Finance	
Achieving a healthy world economy (Aldrich)	915
Foreign Service	
Confirmations (Hughes, Peaslee)	927
Diplomatic relations resumed with Colombia	927
Theodore C. Streibert to be consultant to Mr. Conant	927
International Information Administration	
Locally produced broadcasts in Latin America	926
International Meetings	
U.S. DELEGATION: Council of Fao	926
Mutual Security Agency	
\$50 million aid for Berlin (Eisenhower)	898
MSA makes additional grant of \$15 million to Yugoslavia	920
North Atlantic Treaty Organization	
Second anniversary of SHAPE as an operational headquarters (Ridgway report)	899
Presidential Documents	
President rejects increased duty on screen-printed silk scarves	929
President urges U.S. loan to Coal and Steel Community	927
PROCLAMATIONS:	
Import quota imposed on shelled filberts	917
New import quotas placed on certain dairy products and oils	918
Prisoners of War	
Release of anti-Communist prisoners from U.N. camps in South Korea	905
Publications	
Recent releases	930
State, Department of	
Appointment of chairman of U.S. Committee for U.N. Day	920
Locally produced broadcasts in Latin America	926
Mr. McIlvaine to be special assistant to Assistant Secretary McCardle	927
Trade	
GATT: Liberia withdraws	917
Import quota imposed on shelled filberts (Presidential proclamation)	917
New import quotas placed on certain dairy products and oils (Presidential proclamation)	918
President rejects increased duty on screen-printed silk scarves	929
Some aspects of American foreign policy (Merchant)	909
Transportation	
U.S. restricts fueling of ships bound for Communist China	904
Treaty Information	
U.S.-U.N. cooperation in U.N. postal activities (Tomlinson; text of agreement)	921
United Nations	
Appointment of chairman of U.S. Committee for U.N. Day	920
Political conference on Korea (Dulles)	908
U.S.-U.N. cooperation in U.N. postal activities (Tomlinson; text of agreement)	921
Name Index	
Aldrich, Winthrop W.	915
Chipfield, Robert B.	928
Clark, General	906
Dulles, Secretary	895, 905, 908
Dunn, James C.	913
Eisenhower, President	898, 918, 920, 927
Harrison, Lt. Gen.	905
Hughes, John C.	927
Kim Il Sung	907
McIlvaine, Robinson	927
Navarre, Gen. Henri	909
O'Daniel, Lt. Gen.	909
Peaslee, Amos J.	927
Peng Teh-Huai	907
Ridgway, General	899
Ryerson, Knowles A.	926
Streibert, Theodore C.	927
Tomlinson, John D.	921
Watson, Thomas J., Jr.	920
Waynick, Capus M.	927
Wiley, Alexander	927

